

001

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. UTU-6616
B TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
2. NAME OF OPERATOR Summit Operating			7. UNIT AGREEMENT NAME NA
3. ADDRESS OF OPERATORS PO BOX 683909 Park City, UT 84068			8. FARM OR LEASE NAME NA
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement) at surface 1984' FNL & 2002' FEL SWNE At proposed prod. Zone 635588X 4390945Y 39.659454 -109.419475			9. WELL NO. SRU #6
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 39.4 miles South of Ouray, UT			10. FIELD OR LEASE NAME <i>Sheep Ridge</i>
15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drig. Unit line, if any) 1984'	16. NO. OF ACRES IN LEASE 1280	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
16. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING COMPLETED. OR APPLIED FOR, ON THIS LEASE, FT. NA	19. PROPOSED DEPTH 11,600	20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATION (SHOW WHETHER DF. RT, GR, etc.) 6,633.30			12. COUNTY OR PARISH Uintah
			13. STATE Utah
22. APPROX. DATE WORK WILL START June 1, 2005			

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8	36	2000'	To Surface
7 7/8	5 1/2	11.6	T.D.	To Surface

**Operator requests permission to drill the subject well.
Please see the attached 10 Point and 13 Point Surface Use Plan.**

If you require additional information please contact:

**William Ryan
290 S 800 E
Vernal, Utah
435-789-0968**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

24 *William A Ryan*
SIGNATURE **William A Ryan** TITLE **Agent** DATE **April 15, 2005**
(This space for Federal or State Office use)

PERMIT NO. **43-47-30729** APPROVAL DATE **05-26-05**
APPROVED BY *Bradley G Hill* TITLE **BRADLEY G. HILL** DATE **05-26-05**
CONDITIONS OF APPROVAL, IF ANY: **ENVIRONMENTAL SCIENTIST III**

See Instructions on Reverse Side

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*Federal Approval of this
Action is Necessary*

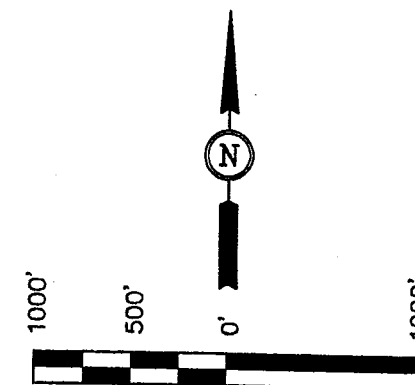
**RECEIVED
MAY 24 2005
DIV. OF OIL, GAS & MINING**

T13S, R22E, S.L.B.&M.

Summit Operating, LLC
Well location, SEEP RIDGE UNIT #6, located as shown in the SW 1/4 NE 1/4 of Section 26, T13S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A ROAD INTERSECTION IN THE NE 1/4 OF SECTION 26, T13S, R22E, S.L.B.&M. TAKEN FROM THE BATES KNOLLS QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6590 FEET.



SCALE

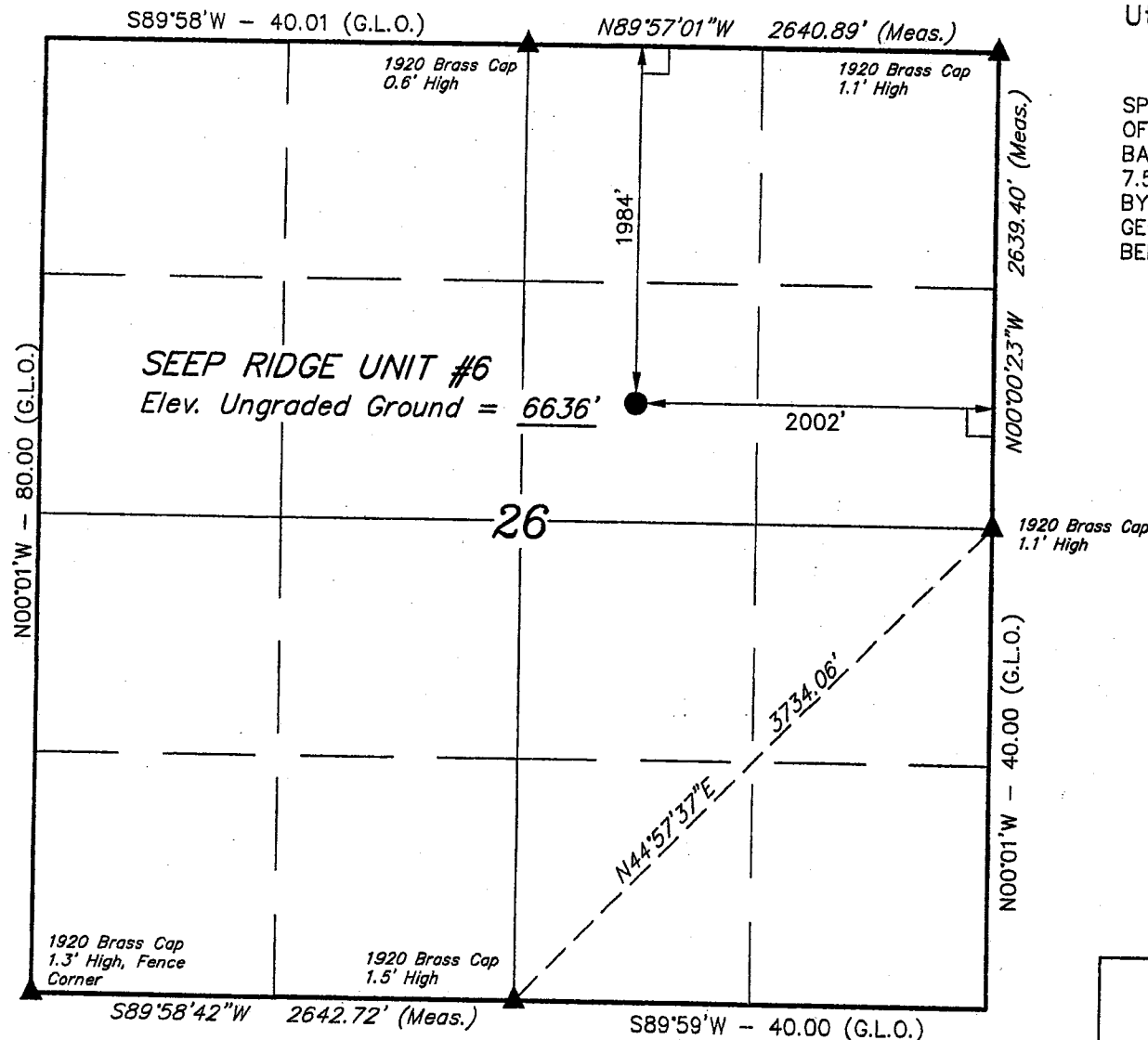
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert J. [Signature]
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 10-31-01	DATE DRAWN: 11-13-01
PARTY B.B. W.L. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE HOT ROD OIL	



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LATITUDE = 39°39'34"

LONGITUDE = 109°25'09"

SELF-CERTIFICATION STATEMENT

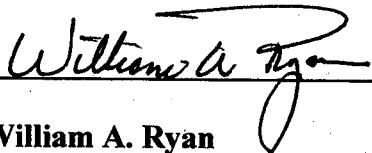
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that Summit Operating, LLC are considered to be the operator of the following well.

Seep Ridge Unit #6
Section 26, T13S, R.22E.
SW 1/4, SE 1/4
Lease UTU-6616
Uintah County, Utah

Summit Operating, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond UTB-000014 provides state-wide bond coverage on all Federal lands.



William A. Ryan
Agent
Rocky Mountain Consulting
350 S. 800 E.
Vernal UT 84078
435-789-0968 Office
435-828-0968 Cell
435-789-0970 Fax
rmcwar@hotmail.com

Ten Point Plan**Summit Operating, LLC****Seep Ridge Unit #6****Surface Location SW ¼ NE ¼, Section 26, T. 13S., R. 22E.****1. Surface Formation**

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	+6,633' G.L.
Wasatch	2,130'	+4,503'
Mesaverde Group	3,991'	+2,642'
Castlegate	5,996'	+637'
Mancos Shale	6,276'	+357'
Dakota Silt	9,976'	-3,343'
Dakota Marker	10,032'	-3,399'
Morrison	10,294'	-3,661'
Summerville/Curtis	10,791'	-4,158'
Entrada Sandstone	10,871'	-4,238'
Carmel	11,027'	-4,394'
Navajo Sandstone	11,091'	-4,458'
Kayenta	11,211'	-4,578'
Wingate Sandstone	11,349'	-4,716'
TD	11,600'	-4,967'

A 11" hole will be drilled to 2,000' +/- . The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

3. Producing Formation Depth:

Formation objective includes the Green River, Wasatch, Mesaverde and its sub-members.

Off Set Well information

4. Proposed Casing:

<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight/FT</u>	<u>Grade</u>	<u>Coupling & Tread</u>	<u>Casing Depth</u>	<u>New/Used</u>
11	8 5/8	36#	K-55	STC	2000	NEW
7 7/8	5 1/2	11.6#	P-110	LTC	T.D.	NEW

Cement Program:

The Surface Casing will be cemented to the Surface as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	8 5/8	Premium Lite II .05#/sk Static Free .25#/sk Cello Flake 5#/sk KOL Seal .002 gps FP-6L 10% Bentonite .5% Sodium Metasilicate 3% Potassium Chloride	250 sks. +/-	3.38ft ³ /sk	11.0 ppg
Tail:	8 5/8	Class "G" 2% Calcium Chloride .25#/sk Cello Flake	329 sks. +/-	1.2ft ³ /sk	15.6 ppg
Top Job:	8 5/8	4% Calcium Chloride .25#/sk Cello Flake	200 sks. +/-	1.10ft ³ /sk	15.6 ppg

Production casing will be cemented to 2,500' or higher as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	5 1/2	Premium Lite II .25#/sk Cello Flake .05#/sk Static Free 5#/sk Kol Seal 3% Potassium Chloride .055 gps FP-6L 10% Bentonite .5 Sodium Metasilicate	200 sks +/-	3.3ft ³ /sk	11.0 ppg
Tail:	5 1/2	Class "G" .05% Static Free 2 Sodium Chloride .1% R-3 2% Bentonite	400 sks +/-	1.56ft ³ /sk	14.3 ppg

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 5000 psi.

A 5000-psi WP Double Gate BOP with accumulator system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./OT.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-2000	Air/Clear Water	-----	No Control	Water/Gel
2000-T.D.	8.4-12.0	30	8-10	Water/Gel

7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 1/2" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 2000' to T.D.
- d) Logging:

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

10. Drilling Schedule:

The anticipated starting date is 05/15/05. Duration of operations is expected to be 30 days.

SUMMIT OPERATING LLC
13 POINT SURFACE USE PLAN
FOR WELL

SRU #6

LOCATED IN SW ¼ NE ¼
SECTION 26, T. 13S, R22E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-6616

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads:

To reach Summit Operating, LLC well Seep Ridge Unit #6 in Section 26, T13S, R 22 E, Starting in Ouray, Utah.

Proceed in a southeasterly direction approximately 25.0 miles to the junction of this road and an existing road to the west; continue in a southeasterly direction along the Seep Ridge road approximately 4.8 miles to the junction of this road and an existing road to the northeast; proceed in an easterly, then southeasterly direction approximately 3.5 miles on the Seep Ridge road to the beginning of the proposed access for the proposed well location; follow road flags in an easterly direction approximately 100' to the proposed location.

Total distance from Ouray, Utah to the proposed well location is approximately 33.28 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 100' +/- of new construction on lease. The road will be graded once per year minimum and maintained.

A) Approximate length	100 ft
B) Right-of-Way width	30 ft
C) Running surface	18 ft
D) Surface material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	2
H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface ownership	Federal
L) All new construction on lease	Yes
M) Pipe line crossing	No

Please see the attached location plat for additional details.

A Right-of-Way will not be required.

All surface disturbances for the road and location will be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

A) Producing well	None
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling /Permitted well	None
G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation well	None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted an **Olive Black** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Olive Black**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 100' +/- of 3" pipeline would be constructed on Federal Lands. The line would tie into the existing pipeline in Section 26, T13S, R22E. The line will be

strung and boomed to the east of the location cross-country.

An off lease Right-of-Way will not be required.

Please see the attached location diagrams for pipeline location. There will be no additional surface disturbances required for the installation of a gathering line.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

**Water for drilling and cementing
will come from Bitter Creek
Permit # - T75377.**

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **10 ft.** deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed

necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

A) Pad length	300 ft
B) Pad width	260 ft
C) Pit depth	10 ft
D) Pit length	150 ft

- E) Pit width 150 ft
- F) Max cut 22.5 ft
- G) Max fill 18.0 ft
- H) Total cut yds. 22,370 cu yds
- I) Pit location east side
- J) Top soil location west end
- K) Access road location south end
- L) Flare Pit corner 5

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.

- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 2,040 cubic yards of material.

Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified. And left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed Mix

Wyoming Big Sage	1#/acre
Indian Rice Grass	4#/acre
Needle & Thread Grass	4#/acre
Globe Mallow	3#/acre

11. Surface ownership:

Access road	Federal
Location	Federal
Pipe line	Federal

12. Other information:

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of Sagebrush. Rabbit brush, Bitter Brush, and Indian Rice grass are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is Bitter Creek, located 8 miles to the East.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion
Prior to moving on the drilling rig.
- c) Spud notice
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner 5** of the reserve pit outside the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan
Rocky Mountain Consulting
Vernal, UT 84078

Office 435-789-0968
Fax 435-789-0970
Cellular 435-828-0968

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

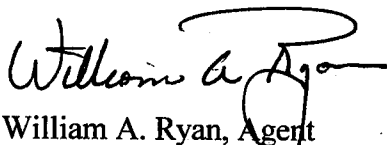
This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for

approval for any future
operations.

B) Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be preformed by Summit Operating, LLC and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date 4/15/05



William A. Ryan, Agent
Rocky Mountain Consulting

Onsite Dates:

Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan
Agent for Summit Operating, LLC
Rocky Mountain Consulting
290 S 800 E
Vernal, UT 84078

435-789-0968 Office
435-828-0968 Cell
435-789-0970 Fax

Summit Operating, L.L.C.
SEEP RIDGE UNIT #6
LOCATED IN UTAH COUNTY, UTAH
SECTION 26, T13S, R22E, S.L.B.&M.

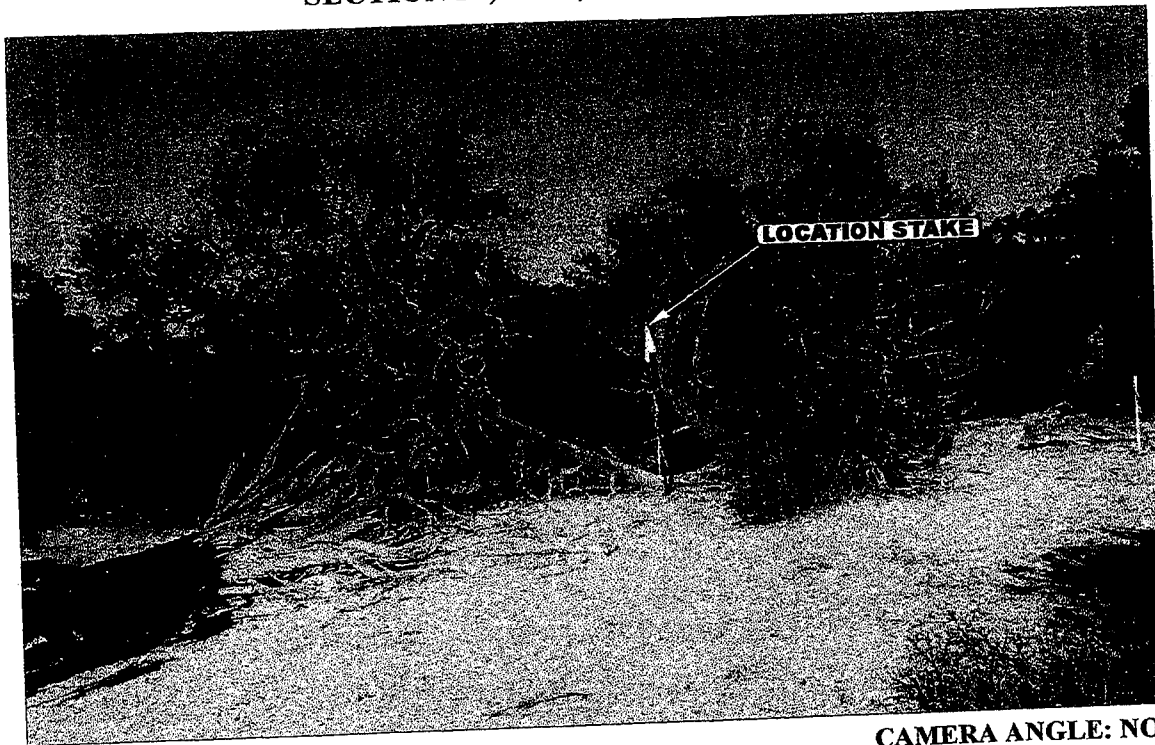


PHOTO: VIEW OF WELL LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



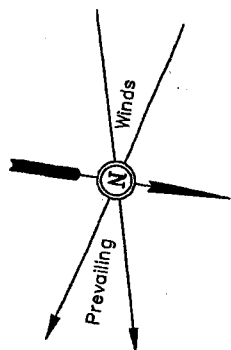
- Since 1964 -

E&LS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS			11	2	01	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: B.B.	DRAWN BY: K.G.	REVISED: 00-00-00				

LOCATION LAYOUT FOR

SEEP RIDGE UNIT #6
SECTION 26, T13S, R22E, S.L.B.&M.
1984' FNL 2002' FEL

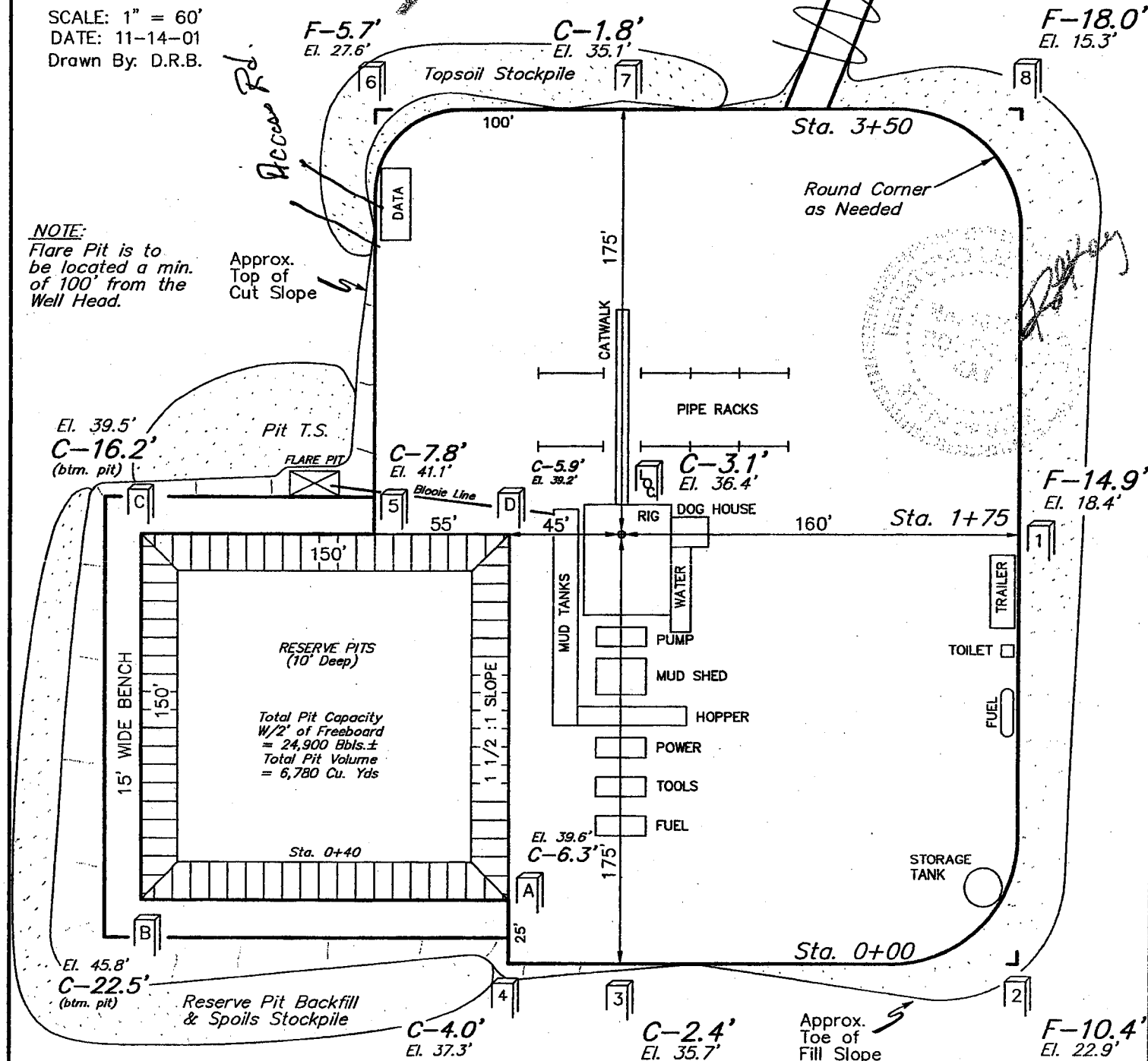


SCALE: 1" = 60'
DATE: 11-14-01
Drawn By: D.R.B.

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

Approx. Top of Cut Slope

Proposed Access Road



Existing Buried Pipeline

Elev. Ungraded Ground at Location Stake = 6636.4'

Elev. Graded Ground at Location Stake = 6633.3'

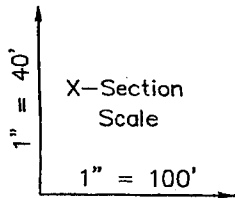
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Summit Operating, LLC

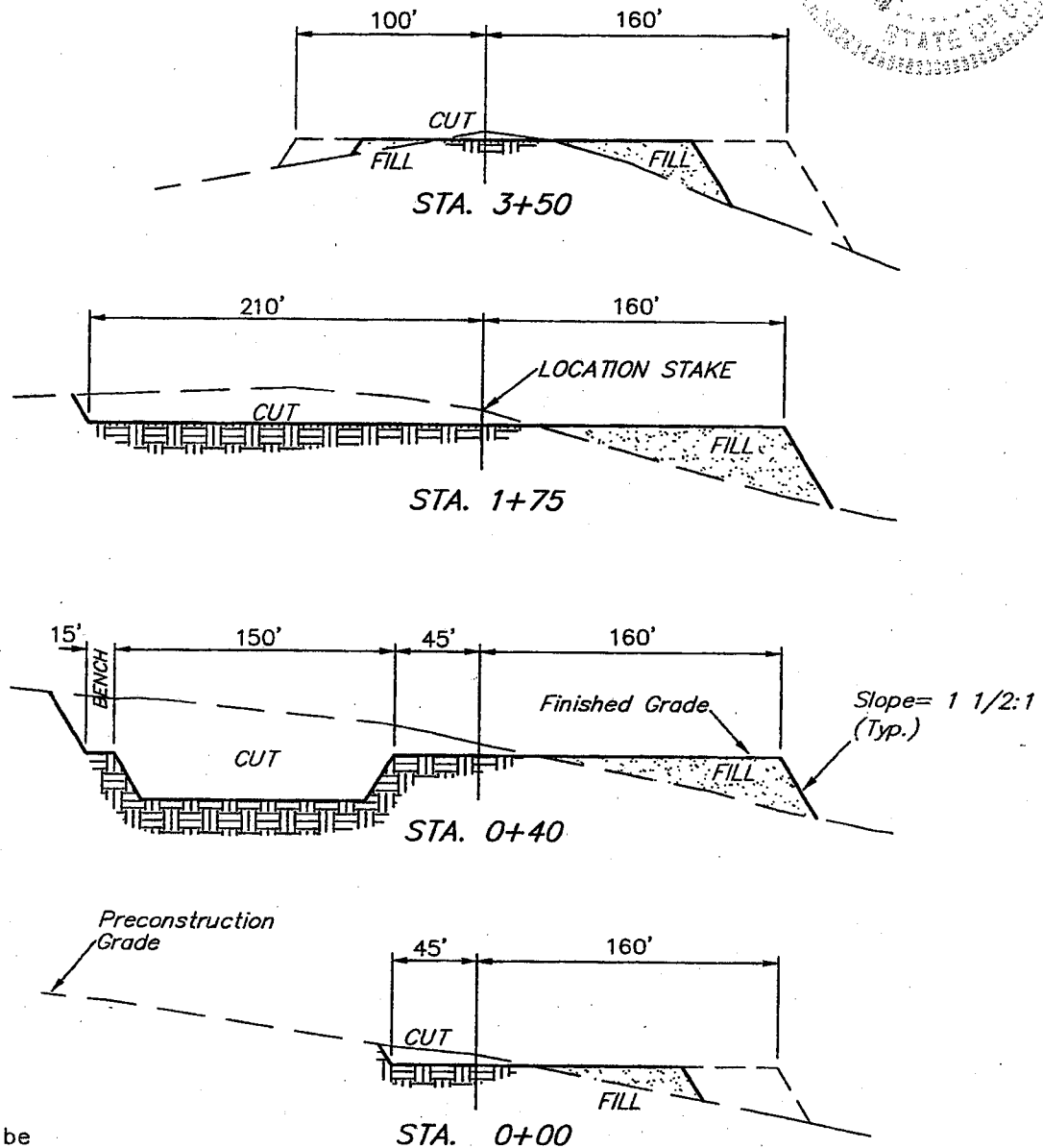
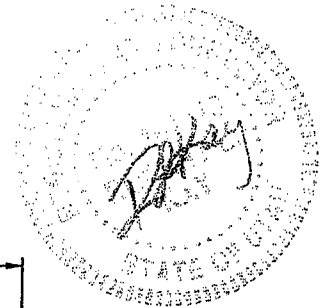
FIGURE #2

TYPICAL CROSS SECTIONS FOR

SEEP RIDGE UNIT #6
SECTION 26, T13S, R22E, S.L.B.&M.
1984' FNL 2002' FEL



DATE: 11-14-01
Drawn By: D.R.B.



NOTE:

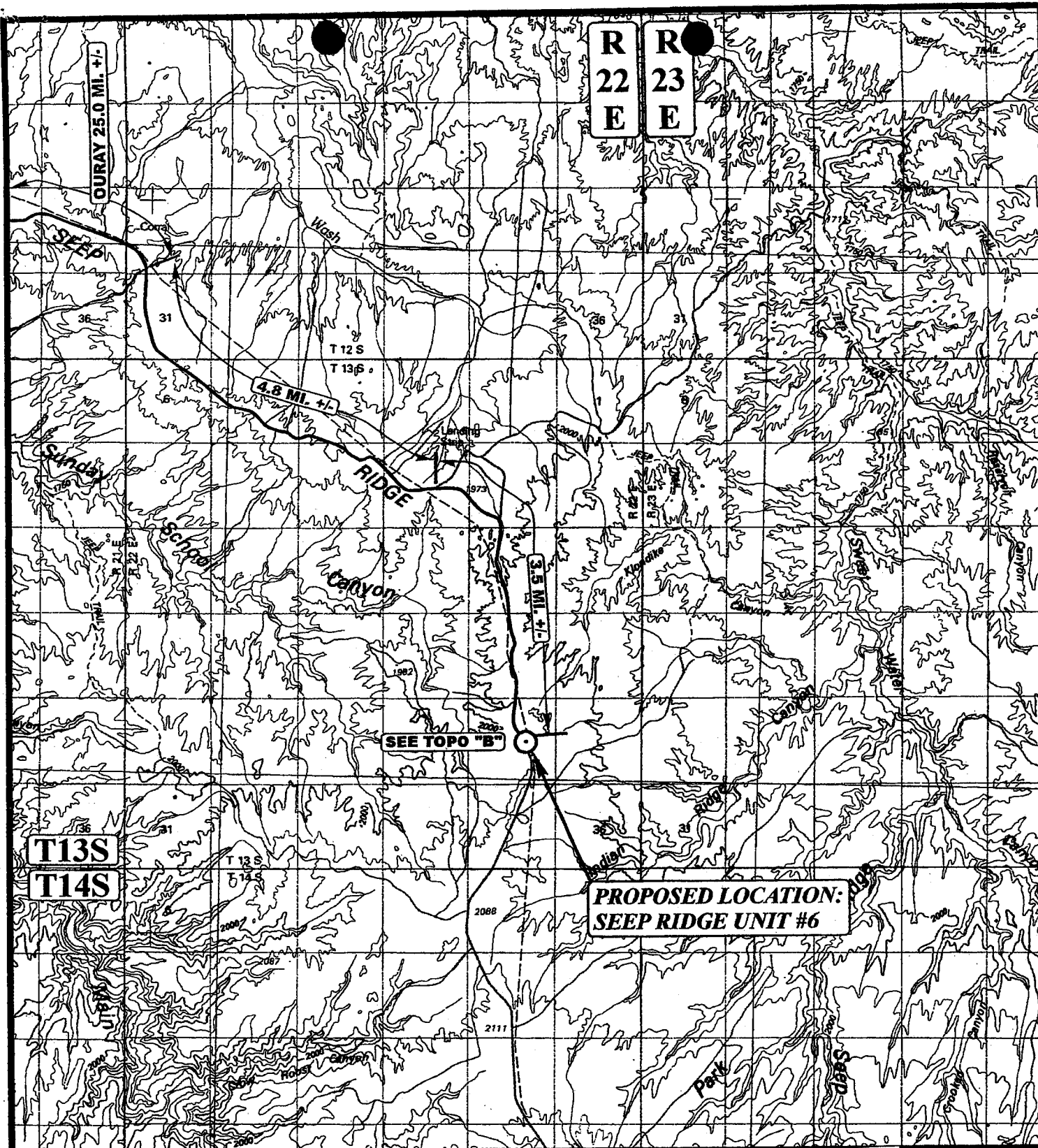
Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 2,040 Cu. Yds.
Remaining Location = 20,330 Cu. Yds.
TOTAL CUT = 22,370 CU.YDS.
FILL = 16,090 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 5,430 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 5,430 Cu. Yds.
EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION



Summit Operating, LLC

SEEP RIDGE UNIT #6

SECTION 26, T13S, R22E, S.L.B.&M.

1984' FNL 2002' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

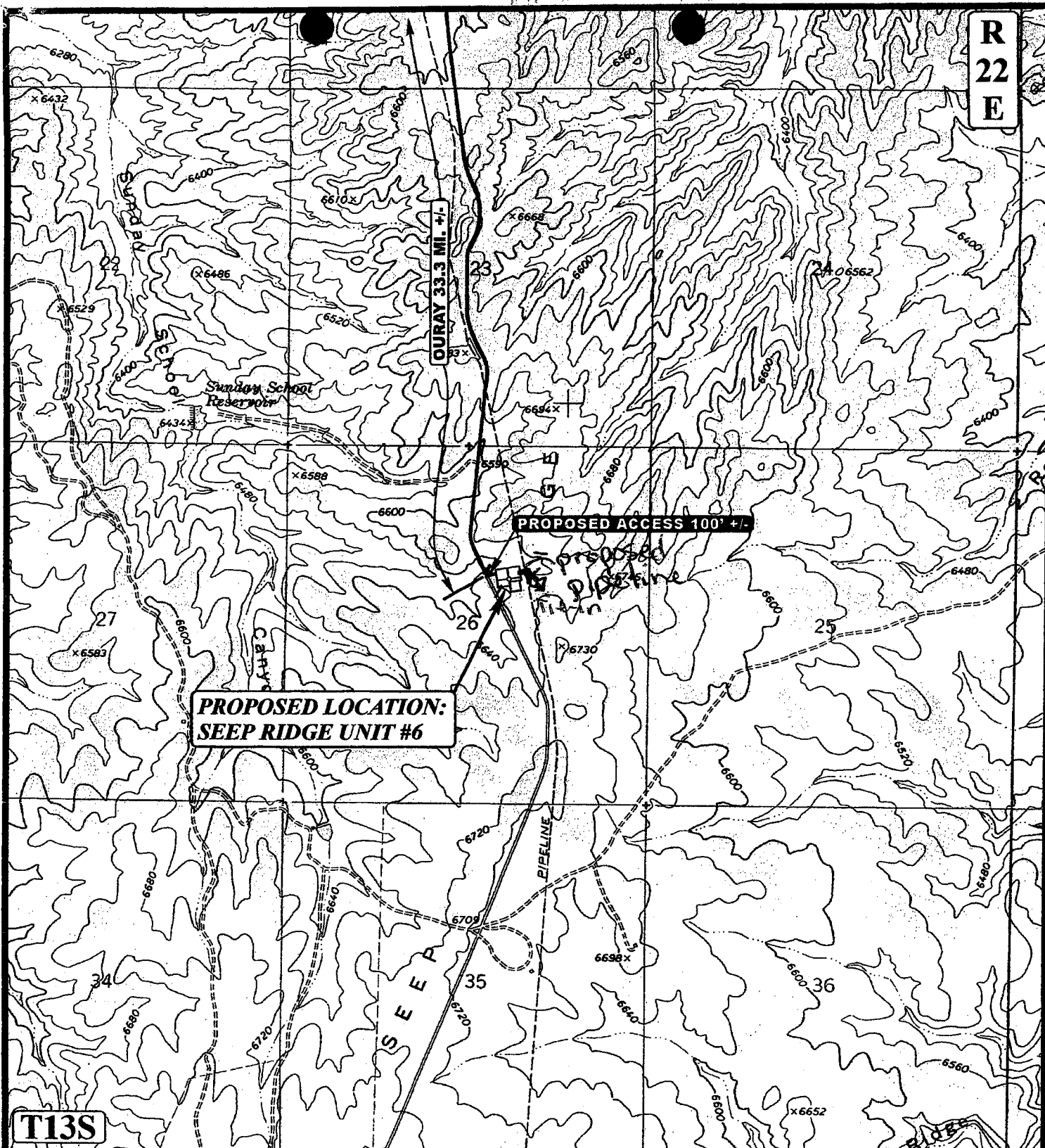
TOPOGRAPHIC
MAP

11 **2** **01**
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: K.G. REVISED: 00-00-00



R
22
E



T13S

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

N

Summit Operating, LLC

SEEP RIDGE UNIT #6

SECTION 26, T13S, R22E, S.L.B.&M.

1984' FNL 2002' FEL

U
E
L
S

Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

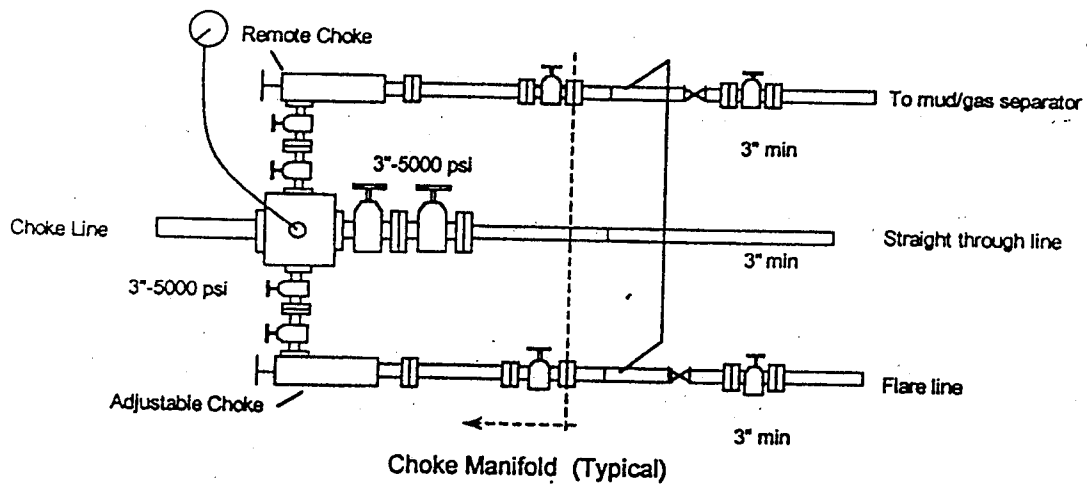
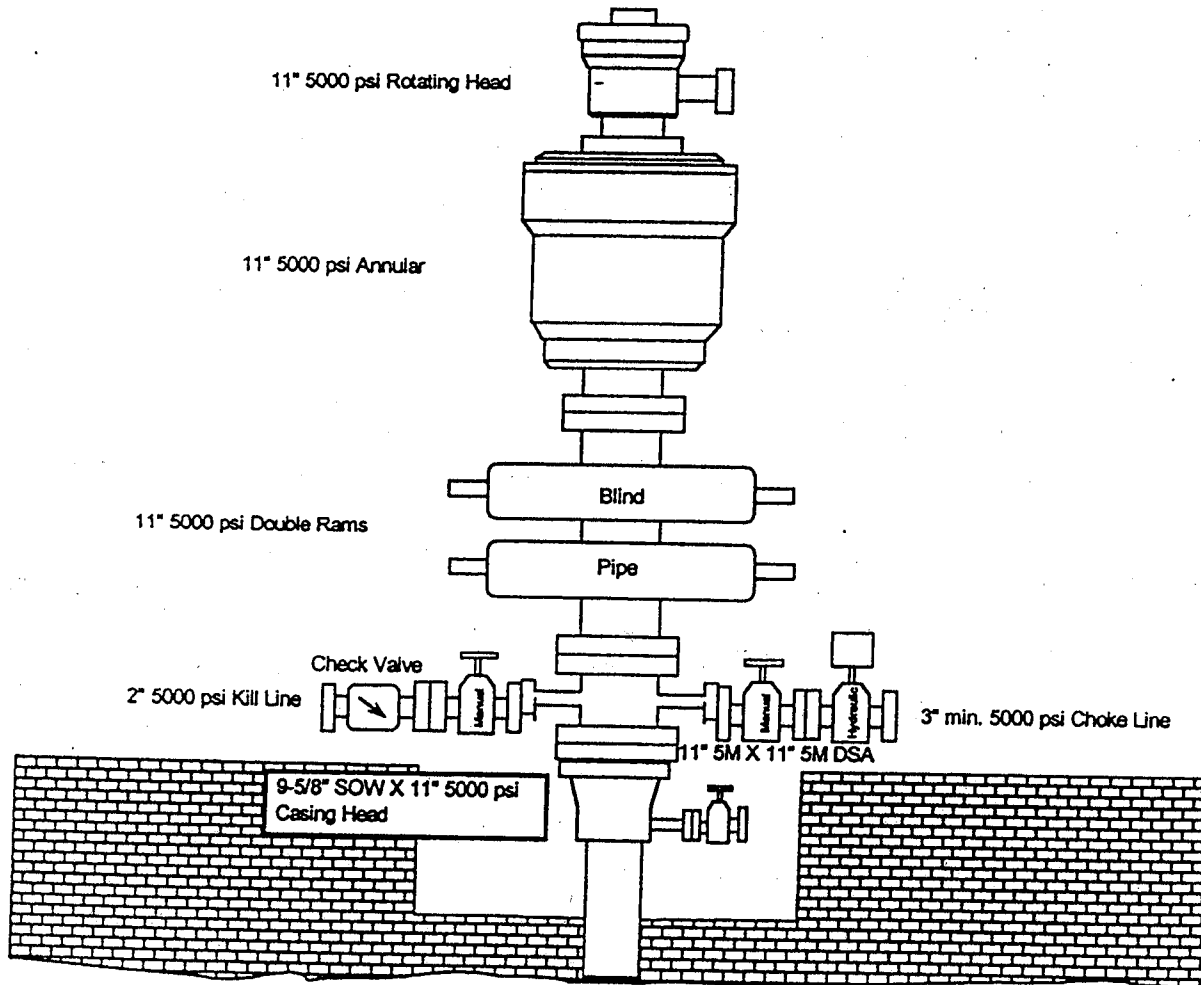
TOPOGRAPHIC
MAP

11 2 01
MONTH DAY YEAR

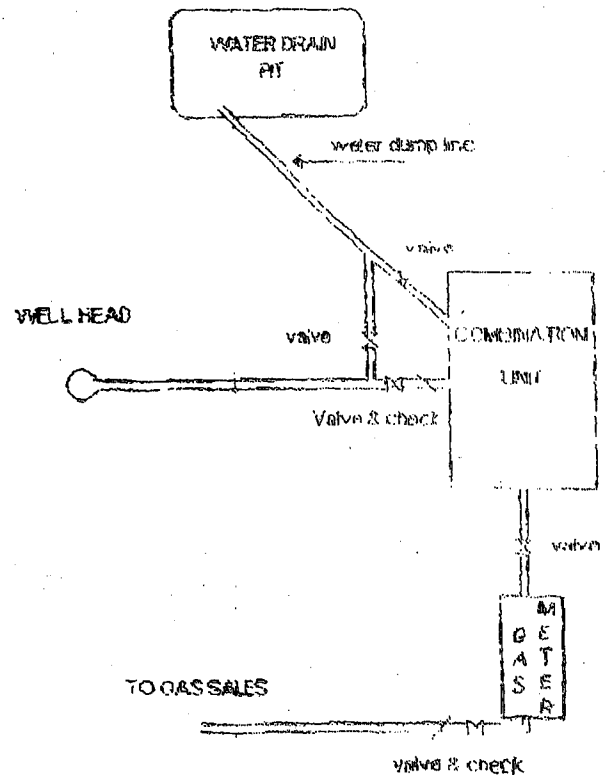
SCALE: 1" = 2000' DRAWN BY: K.G. REVISED: 00-00-00

B
TOPO

BOPE Diagram 5000 psi WP



TYPICAL
GASWELL



004

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/24/2005

API NO. ASSIGNED: 43-047-36729

WELL NAME: SRU #6

OPERATOR: SUMMIT OPERATING LLC (N2315)

CONTACT: BILL RYAN

PHONE NUMBER: 435-789-0968

PROPOSED LOCATION:

SWNE 26 130S 220E

SURFACE: 1984 FNL 2002 FEL

BOTTOM: 1984 FNL 2002 FEL

UINTAH

SEEP RIDGE (680)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-6616

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WINGT

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.65945

LONGITUDE: -109.4195

RECEIVED AND/OR REVIEWED:

- ☒ Plat
- ☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB-000014)
- ☒ Potash (Y/N)
- ☒ Oil Shale 190-5 (B) or 190-3 or 190-13
- ☒ Water Permit
(No. T75377)
- ☒ RDCC Review (Y/N)
(Date:)
- ☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

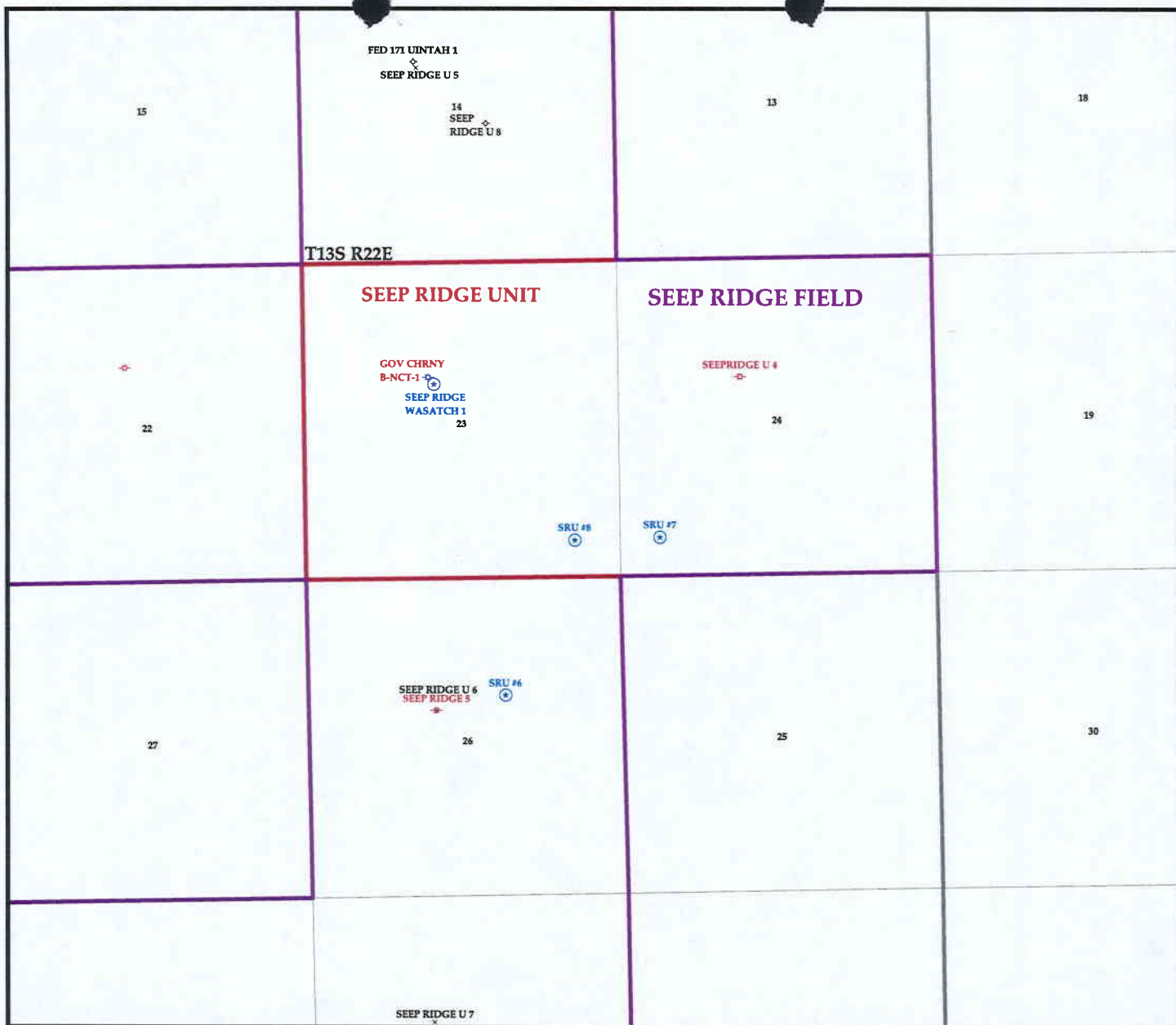
- ☐ R649-2-3.
- Unit
- ☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ☐ R649-3-3. Exception
- ☐ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- ☐ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Federal Approval

2- Spacing Slip



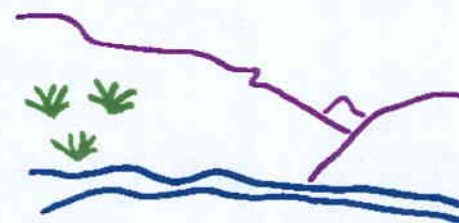
OPERATOR: SUMMIT OPERATING (N2315)

SEC: 23,24,26 T. 13S R. 22E

FIELD: SEEP RIDGE (680)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells

- ✱ GAS INJECTION
- ⊙ GAS STORAGE
- × LOCATION ABANDONED
- ⊕ NEW LOCATION
- ⊖ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- PRODUCING OIL
- ⊖ SHUT-IN GAS
- ⊖ SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- △ WATER INJECTION
- ⬆ WATER SUPPLY
- ⬆ WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 26-MAY-2005

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 26, 2005

Summit Operating LLC
P O Box 683909
Park City, UT 84068

Re: Seep Ridge Unit #6 Well, 1984' FNL, 2002' FEL, SW NE, Sec. 26,
T. 13 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36729.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Acting Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Summit Operating LLC
Well Name & Number Seep Ridge Unit #6
API Number: 43-047-36729
Lease: UTU-6616

Location: SW NE Sec. 26 T. 13 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

June 22, 2005

Field Manager
BLM, Vernal Field Office
170 South 500 East
Vernal, UT 84078

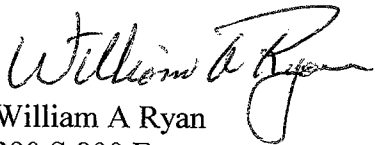
RE: Oil and Gas Operations
Hot Rod Oil
Seep Ridge Unit #6 43-047-36729
Section 26, Township 13 South, Range 22 East
UTU-6616

Dear Sir:

Hot Rod Oil designates Summit Operating as agent to carry out drilling, construction and installation of production equipment. Operations will revert back to Hot Rod Oil, the unit operator, upon completion and sale of oil and gas from the referenced well.

If you have any questions regarding this designation of agent please contact William A Ryan, Agent.

Sincerely,



William A Ryan
290 S 800 E
Vernal, UT 84078
435-789-0968

RECEIVED

JUN 29 2005

DIV. OF OIL, GAS & MINING

June 20, 2005

Field Manager
BLM, Vernal Field Office
170 S 500 E
Vernal, UT 84078

Re: Oil and Gas Operations
Hot Rod Oil and Gas
Seep Ridge Unit #6
Seep Ridge Unit #7
Seep Ridge Unit #8

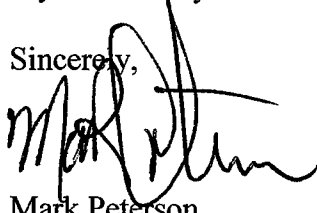
Dear Sir:

Mr. William A Ryan of Rocky Mountain Consulting is authorized to act as agent on behalf of Hot Rod Oil in all aspects of the permitting process for the subject locations, proposed on federal and state oil and gas leases as required under Onshore Oil and Gas Order Number One.

This authority would include preparing and submitting applications to drill wells, preparing and submitting applications for road and pipeline right-of-ways, submitting various sundry notices and all other issues pertaining to drilling the subject wells. In addition, he is an authorized Hot Rod Oil agent in all discussions with local, state or federal regulatory agencies regarding proposed drill sites, routing of roads or pipelines and all other matters pertaining to the subject wells.

If you have any additional questions, please contact me at 435-789-5698.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Peterson', written over the word 'Sincerely,'.

Mark Peterson
Owner
Seep Ridge Unit Operator

RECEIVED

JUN 29 2005

DIV. OF OIL, GAS & MINING

43-047-36729

DESIGNATION OF AGENT

The undersigned is, on the records of the Bureau of Land Management, unit operator under the Seep Ridge Unit Agreement, Uintah County, Utah, No. UTU-63048X approved and effective on April 15, 2005

and hereby designates:

Name: Summit Operating, LLC
Address: PO BOX 683909
Park City, Utah

as its agent, with full authority to act on its behalf in complying with the terms of the unit agreement and regulations applicable thereto and on whom the authorized officer or his representative may serve written or oral instructions in securing compliance with the oil and gas operating regulations with respect to drilling, testing, and completing unit well No. SRU # 6 in the SW $\frac{1}{4}$ NE $\frac{1}{4}$, sec. 26, T. 13S, R. 22E, Uintah County, Utah. Bond coverage will be provided under (Statewide, Nationwide, Lessee) Bond No. UTB-000014.

It is understood that this designation of agent does not relieve the unit operator of responsibility for compliance with the terms of the unit agreement and the oil and gas operating regulations. It is also understood that this designation of agent does not constitute an assignment of any interest under the unit agreement or any lease committed thereto.

In case of default on the part of the designated agent, the unit operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his duly authorized representative.

The unit operator agrees promptly to notify the authorized officer of any change in the designated agent.

This designation of agent is deemed to be temporary and in no manner a permanent arrangement, and a designated agent may not designate another party as agent.

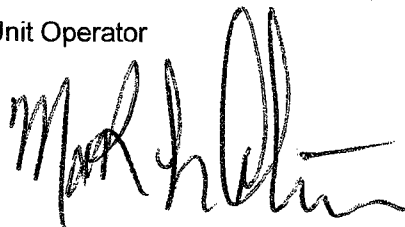
This designation is given only to enable the agent herein designated to drill the above specified well. It is understood that this designation of agent is limited to the field operations performed while drilling and completing the specified well and does not include administrative actions requiring specific authorization of the unit operator. This designation in no way will serve as authorization for the agent to conduct field operations for the specified well after it has been completed for production. Unless sooner terminated, this designation shall terminate when there is filed in the appropriate office of the Bureau of Land Management all reports and a Well Completion Report and Log (Form 3160-4) as required by the approved Application for Permit to Drill for the specified well.

In the event the above specified well is completed as a non-paying unit well, the authority for the designated agent to operate this well shall be established by completion of the Delegation of Authority to Operate Non-paying Unit Well form and submittal of the form to the appropriate office of the authorized officer.

Date

7/20/05

Unit Operator



RECEIVED

AUG 12 2005

DIV. OF OIL, GAS & MINING

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

MAY 23 2005

5. LEASE DESIGNATION AND SERIAL NO.

UTU-6616**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

7. UNIT AGREEMENT NAME

NA

8. FARM OR LEASE NAME

NA

9. WELL NO.

SRU #6

10. FIELD OR LEASE NAME

11. Sec., T., R., M., OR BLK

AND SURVEY OR AREA

Sec 26, T13S, R22E

12. COUNTY OR PARISH

Uintah

13. STATE

Utah

1a. TYPE OF WORK

DRILL**DEEPEN****PLUG BACK**

B. TYPE OF WELL

OIL



GAS



OTHER

SINGLE



MULTIPLE ZONE



2. NAME OF OPERATOR

Summit Operating**435-940-9001**

3. ADDRESS OF OPERATORS

PO BOX 683909 Park City, UT 84068

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)

at surface

1984' FNL & 2002' FEL**SWNE**

At proposed prod. Zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

39.4 miles South of Ouray, UT

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drlg. Unit line, if any)

1984'

16. NO. OF ACRES IN LEASE

1280

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

16. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED.

NA

19. PROPOSED DEPTH

11,600

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATION (SHOW WHETHER DF, RT, GR, etc.)

6,633.30

22. APPROX. DATE WORK WILL START

June 1, 2005**PROPOSED CASING AND CEMENT PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8	36	2000'	To Surface
7 7/8	5 1/2	11.6	T.D.	To Surface

Operator requests permission to drill the subject well.**Please see the attached 10 Point and 13 Point Surface Use Plan.****If you require additional information please contact:****William Ryan****290 S 800 E****Vernal, Utah****435-789-0968****RECEIVED****SEP 09 2005****DIV. OF OIL, GAS & MINING**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

24

SIGNATURE

William A Ryan

TITLE

Agent

DATE

April 15, 2005

(This space for Federal or State Office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

**Assistant Field Manager
Mineral Resources**

DATE

09/01/2005

CONDITIONS OF APPROVAL, IF ANY:

***See Instructions on Reverse Side**

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NOTICE OF APPROVAL**CONDITIONS OF APPROVAL ATTACHED**

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Operator/Company: Summit Operating
Well Name/Number: SRU # 6
API Number: 43-047-36729
Location: SWNE Sec. 26 T13S R22E
Lease Number: UTU-6616
Agreement Name (If Applicable): N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware that fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF or other).

(1.) Proposed production casing cementing volumes are inadequate and does not circulate cement to a high enough fill-up. Additional cement beyond the proposed levels indicated in the operators application will need to be pumped. The cement volumes pumped should include appropriate excess factors. For the cementing program of the production casing string, the circulation or top of cement on the production string is to be at a minimum two hundred feet (200') above the formation named Wasatch. Per BLM estimates, the formation named Wasatch is estimated to be at depth feet 1983 fm Wasatch (61 fm Mahogany Oil Shale). Production casing string circulation or top of cement is to be at or above 1783 depth feet .

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Michael Lee (435) 828-7875
Petroleum Engineer

Matt Baker (435) 828-4470
Petroleum Engineer

BLM FAX Machine (435) 781-4410

If any paleontological or cultural materials are encountered, stop work immediately and report the find to this office.

Paint all facilities Olive Black. Any paint brand may be used provided the colors match. No drilling or construction would be allowed between November 1st and April 15th to protect deer and elk in their winter range.

The authorized officer may prohibit surface disturbing activities during wet and muddy periods to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.

The seed mix for this location shall be:

Wyoming big sage	<i>Artemisia tridentata</i>	1lbs. /acre
Needle and Threadgrass	<i>Stipa comata</i>	4lbs. /acre
Scarlet globemallow	<i>Sphaeralcea coccinea</i>	3lbs. /acre
Indian Ricegrass	<i>Pleuraphis hymenoides</i>	4lbs. /acre

All pounds are in pure live seed.

Reseeding may be required if first seeding is not successful.

4 to 6 inches of topsoil should be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.

The topsoil from the reserve pit should be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.

Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding should take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.

Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to

the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

The pipeline shall be buried within the identified construction width of an access corridor that contains the access road and pipelines. The operator may request in writing an exception to this COA. Exceptions to this COA may include but are not limited to: laterally extensive, hard indurated bedrock, such as sandstone, which is at or within 2 feet of the surface; and, soil types with a poor history for successful rehabilitation. The exception request will be reviewed by the authorized officer (AO) and a determination made.

Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: SUMMIT OPERATING LLC

Well Name: SRU #6

Api No: 43-047-36729 Lease Type: FEDERAL

Section 26 Township 13S Range 22E County UINTAH

Drilling Contractor BILL JR'S RIG # RATHOLE

SPUDDED:

Date 09/12/05

Time

How DRY

Drilling will Commence:

Reported by DAVID L ALLIN

Telephone # 1-970-254-3114

Date 09/13/2005 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Summit Operating, LLC
Address: PO Box 683909
city Park City
state UT zip 84068-3909

Operator Account Number: N 2315

Phone Number: (435) 940-9001

Well 1

4304736729	SRU #6	SWNE	26	13S	22E	Uintah
A	99999	14941	9/12/2005	9/20/05		
Comments: <u>WINGT</u>						

Well 2

Comments:						

Well 3

Comments:						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Marie Adams

Name (Please Print)

Marie Adams
Signature

Operations

Title

9/20/2005

Date

(5/2000)

RECEIVED

SEP 20 2005

DIVISION OF OIL, GAS & MINING

*Carol Daniels*

CONFIDENTIAL

To: ~~Barkley Russell~~

Fax: (801) 359-3940

From: Marie Adams

Date: 10/4/2005

Re: SRU#6/SRU#8

Pages: 4 including cover

cc: 43-042-3729 + 135 R22ES-26

☒ Report ☐ For Review ☐ Please Comment ☒ Please Reply ☐ Please Recycle



I have the daily reports for the SRU #6. Can you please let me know which other forms
to file regarding this well? Also, we would like to tight hole this well. Is there a form I
can fill out so that no data is released on this well for one year?

I faxed form 6 to you earlier today for the SRU#8.

Thank you,
Marie Adams

Summit Energy, LLC PO Box 683909 Park City, UT 84068-3909

Email - marie@summitcorp.net

RECEIVED

OCT 04 2005

DIV. OF OIL, GAS & MINING

Message

Page 1 of 3

CONFIDENTIAL

David Lillywhite

From: David L Allin [allinpro@bresnan.net]
Sent: Tuesday, October 04, 2005 8:21 AM
To: Robert J Pierson; David Lillywhite
Subject: SRU #6 Daily Report 10-3-05

T135 R22E S-26

43-047-36929

9-20-05 @ 0700 hours: Blind rams in BOP failed to hold pressure for test. New rams ordered to replace existing blind rams. Day rate charges begin when BOP passes test. 9 5/8" surface casing shoe set at GL 2022' (KB 2043'). Pason unmanned mud gas and ROP measurement system in place and satellite link tested. Pason will be contacted to line up cuttings sample examination team. Rig repair. 2043'

9-21-05 @ 0600 hours from previous 24 hrs: Pressure test BOP's 0600 to 1000 hrs; Picked up bottom hole assembly (BHA) composed of bit, mud motor, stabilizers and drill collars, ran in hole (RIH), tagged cement and plugged bit and mud motor 1000 to 1900 hrs; Downtime to repair drive shaft 1900 to 0400 hrs; Pulled out of hole (POOH), unplugged bit and put on new mud motor 0400 to 0600 hrs. Preparing to RIH with BHA to drill cement in surface casing and through the surface casing shoe. Pason working on finding mud loggers this morning. Tripping back in hole. 2043'

9-22-05 @ 0700 hours breakdown from Patterson report: 2.5 hours tripping in hole; 2 hours drilling cement in 9.625" surface casing and through casing shoe; 18 hours rotating and drilling Wasatch Fm with 7.875" bit; 1 hour for surveys and .5 hour for rig service. Penetration rate for 996' was 55.3 ft/hr. Status this morning was that a leaky water line was being repaired, but it wasn't expected to cause a significant delay. Patterson 136 toolpusher, Jerry Outlaw, is going on days off and will be replaced by Doug Miller this morning. The contact number remains the same (435-790-0410). Pason mud logging geologist, Troy Bragg, is scheduled to be on site later today with gas detection equipment. The first surveys indicated the hole is very near vertical: No. 1 was .75 degree and No. 2 was .50 degree. Drilling. 3039'

9-23-05 @ 0700 hours breakdown from Patterson report: 1 hr repairing water line; .5 hr lube rig; 11 hrs drilling 3039' to 3691'; .5 hr deviation survey (2.75 degrees @ 3609') and 11 hrs drilling 3691' to 4120'. Penetration rate for 1081' was 49.1 ft/hr. Two-man mud logging crew got rigged up last night and began logging samples at 3800' and began mud gas detection below 3950'. As of 0500 today the background gas (BG) was 30 units in 8.9 ppg mud indicating some gas from uphole in a Wasatch sandstone layer. The daily report from the Pason crew is written two hours before the Patterson report and is transmitted directly to the current distribution list. Drilling. 4120'

9-24-05 @ 0700 hrs breakdown from Patterson report: 8 hrs drilling 4120- to 4446'; .5 hr lube rig; 15.5 hrs drilling 4446' to 4872'. Penetration rate for 752' was 32.0 ft/hr. BG has come up a little and one show was recognized from a tight sandstone bench associated with carbonaceous shale in the upper part of the Mesaverde Group (Tuscher Fm). The mud log updated to 0500 hrs today is available on the Pason DataHub along with current drilling data (EDR). Drilling. 4872'

9-25-05 @ 0700 hrs from Patterson report: 5.5 hrs drilling 4872-5296'; .5 hr lube rig; 18 hrs drilling 5296-6153'. Penetration rate for 1281' was 54.5 ft/hr. Several gas shows were reported from the Neslen Fm associated with drilling breaks and possibly coal beds. See the attached report from the mud loggers from 9-27-05 for cumulative report on the drilling breaks to that date. Drilling. 6153'

RECEIVED

OCT 04 2005

10/4/2005

DIV. OF OIL, GAS & MINING

Message

Page 2 of 3

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9-28-05 @ 0700 hrs from Patterson report: 7 hrs drilling 8123-8434'; .5 hr lube rig; 16.5 hrs drilling 8434-9133'. Penetration rate for 1010' was 43.0 ft/hr. The most important mud gas show came up from 8982-9002'. It reached 4740 units before the gas analyzer blinked out. The analyzer is to be repaired or replaced today to correct this problem prior to penetrating the Dakota Ss tomorrow morning. 767' to drill before the primary pay zone section is reached around 9900'. Drilling. 9133'

9-29-05 @ 0700 hrs from Patterson report: 7.5 hrs drilling 9133-9528'; .5 hr lube rig; 6 hrs drilling 9528-9796'; Penetration rate for 663' was 49.1 ft/hr; 6 hrs pump slug, drop survey and trip out of hole (TOOH) for new bit; 3 hrs pick up new mud motor and bit #3 and trip in hole (TIH). Should be back on bottom and drilling around 1000 hrs. Pay zones expected below 9900' and should all be drilled and TD 10,400' reached in the next 24-28 hours. TIH. 9796'

9-30-05 @ 0700 hrs from Patterson report: 4 hrs tripping and 20 hrs drilling 9800-10065' (depth corrected by strap after trip). Penetration rate for 269' was 13.5 ft/hr. Tops & zones from Pason report: Dakota Silt 9825', Dakota Fm marker 9882'; 1st Dakota sand 9890- 914' 1124u mud gas peak; 2nd Dakota sand 9932-64' 1852 mud gas peak; Cedar Mtn Fm 9964'. Drilling. 10065'

10-1-05 @ 0700 hrs from Patterson report: 8 hrs drilling 10065-10178'; .5 hr lube rig; 5.5 hrs drilling 10178-10224'; 1 hr pump slug & short trip 10 stands; 2.5 hrs circulate bottoms up (4000 units in mud gas), condition mud & drop survey; 6.5 hrs TOOH for logging. penetration rate for 159' was 11.8 ft/hr. Tops & zones from Pason report: Dakota Silt 9825' (-3170'), Dakota Fm marker 9882'; 1st Dakota sand 9890- 914' 1124 units mud gas peak; 2nd Dakota sand 9932-64' 1852 units mud gas peak; Cedar Mtn Fm 9964', lower Cedar Mtn sand 10074-118' 669 units mud gas peak; Morrison Fm 10118'. 2100 hrs 9-30-05 TD WAS CALLED AT 10224'. Pason crew released. Open hole logging. TD 10224'

10-2-05: @ 0700 hrs from Patterson report: 11 hrs open hole logging; 6 hrs TIH for wiper run; 1.5 hrs condition mud & pump slug; 5.5 hrs TOOH laying down drill pipe to prepare to run long string. TD 10224'

Open hole log tops measured from KB elevation 6655':

Main body Wasatch Fm (Tw) 2059' +4596'
Mesaverde Group (Kmv) 3900' +2755'
Neslen Fm (Kn) 5042' +1613'
Sego Ss (Ks) 5536' +1119'
Buck Tongue of Mancos Sh (Kmbt) 5601' +1054'
Castlegate Ss (Kc) 5815' +840'
Base Kc 5936' +719'
Upper Blue Gate Mbr of Mancos Sh (Kmbgu) 6157' +498'
Prairie Canyon Mbr ("B") of Mancos Sh (Kmpe) 6721' -66'

10/4/2005

Message

Page 3 of 3

*Lower Blue Gate Mbr of Mancos Sh (Kmg1) 7325' -670'
Dakota Silt (Kds) 9820' -3165'
Dakota marker-base bentonite (Kd mkr) 9867' -3212'
first Dakota sandstone (Kd1) 9885' -3230'
second Dakota sandstone (Kd2) 9916' -3261'
Cedar Mountain Fm and K-1 (Kcm) 9952' -3297'
lower Kcm sandstone (Kcm1) 10050' -3395'
Morrison Fm and K-0 (Jm) 10153' -3498'*

10-3-05 @ 0700 from Patterson report. 4 hours TOOH laying down drill pipe, drill collars and BHA; 8 hrs making up float equipment and running 5.5" 17 ppf N-80 & P-110 LTC casing to TD; 2 hrs rigging up HES cementers and pump first stage (10224-9220'); 4 hrs waiting on first stage cement; 4 hrs opening DV tool, circulating gas cut mud from backside of second stage and setting slips; 2 hrs pumping second stage cement and displacement (9220-1800'). LS cementing went very well so far and should be completed by 0900. Rig crew will be released later today to prepare to move to the SRU #8

10-4-05 @ 0700. Waiting on LS cement to cure and line up cased hole logging. WOCT. TD 10224'

10/4/2005

SUMMIT OPERATING, LLC
PO BOX 683909
PARK CITY, UT 84068-3909
(435) 940-9001

CONFIDENTIAL

October 10, 2005

Attn: Carolyn Daniels

RE: Confidentiality request for wells

Carolyn,

I am requesting that any information on the wells listed below, be kept confidential for the period of one year following first production for each well.

Operator	Operator Number	Well Name	API Number
Summit Operating, LLC	N2315	SRU#6	4304736729
Summit Operating, LLC	N2315	SRU#7	4304736730
Summit Operating, LLC	N2315	SRU#8	4304736731

T135 R22E5-26

T135 R22E5-24

T135 R22E5-23

Please call me if you have any questions, or if you need more information regarding these wells.

Sincerely,

Marie Adams

Marie Adams
Operations

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OCT 11 2005

DIV. OF OIL, GAS & MINING

SUMMIT ENERGY, LLC

PO BOX 683909

PARK CITY, UT 84068-3909

PHONE (435) 940-9001

FAX (435) 940-9002

Fax

To: Carol Daniels

From: Marie Adams

Fax: (801) 359-3940

Date: March 21, 2006

Phone:

Pages: 4 including cover

Re: Form 6 & Form 9's

CC:

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MAR 21 2006

DIV. OF OIL, GAS & MIN.

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU6616	
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
		7. UNIT or CO AGREEMENT NAME:	
		8. WELL NAME and NUMBER: SRU #6	
9. API NUMBER: 4304736729		10. FIELD AND POOL, OR WILDCAT: Seep Ridge	
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		2. NAME OF OPERATOR: Summit Operating, LLC	
3. ADDRESS OF OPERATOR: PO Box 683909 CITY Park City STATE UT ZIP 84068		PHONE NUMBER: (435) 940-9001	
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____		COUNTY: Uintah	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: S14NE 36 14S 22E 5		STATE: UTAH	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Production began 12/23/2005.

NAME (PLEASE PRINT) <u>Marie Adams</u>	TITLE <u>Operations</u>
SIGNATURE <u>Marie Adams</u>	DATE <u>3/21/2006</u>

(This space for State use only)

(5/2000)

(See Instructions on Reverse Side)

RECEIVED
MAR 21 2006
DIV. OF OIL, GAS & MINING

Subject: SRU #6 Daily Drilling Report 9-20-05 through 10-4-05

43.047.36729
135 - 22E 26

9-20-05 @ 0700 hours: Blind rams in BOP failed to hold pressure for test. New rams ordered to replace existing blind rams. Day rate charges begin when BOP passes test. 9 5/8" surface casing shoe set at GL 2022' (KB 2043'). Pason unmanned mud gas and ROP measurement system in place and satellite link tested. Pason will be contacted to line up cuttings sample examination team. Rig repair. 2043'

9-21-05 @ 0600 hours from previous 24 hrs: Pressure test BOP's 0600 to 1000 hrs; Picked up bottom hole assembly (BHA) composed of bit, mud motor, stabilizers and drill collars, ran in hole (RIH), tagged cement and plugged bit and mud motor 1000 to 1900 hrs; Downtime to repair drive shaft 1900 to 0400 hrs; Pulled out of hole (POOH), unplugged bit and put on new mud motor 0400 to 0600 hrs. Preparing to RIH with BHA to drill cement in surface casing and through the surface casing shoe. Pason working on finding mud loggers this morning. Tripping back in hole. 2043'

9-22-05 @ 0700 hours breakdown from Patterson report: 2.5 hours tripping in hole; 2 hours drilling cement in 9.625" surface casing and through casing shoe; 18 hours rotating and drilling Wasatch Fm with 7.875" bit; 1 hour for surveys and .5 hour for rig service. Penetration rate for 996' was 55.3 ft/hr. Status this morning was that a leaky water line was being repaired, but it wasn't expected to cause a significant delay. Patterson 136 toolpusher, Jerry Outlaw, is going on days off and will be replaced by Doug Miller this morning. The contact number remains the same (435-790-0410). Pason mud logging geologist, Troy Bragg, is scheduled to be on site later today with gas detection equipment. The first surveys indicated the hole is very near vertical: No. 1 was .75 degree and No. 2 was .50 degree. Drilling. 3039'

9-23-05 @ 0700 hours breakdown from Patterson report: 1 hr repairing water line; .5 hr lube rig; 11 hrs drilling 3039' to 3691'; .5 hr deviation survey (2.75 degrees @ 3609') and 11 hrs drilling 3691' to 4120'. Penetration rate for 1081' was 49.1 ft/hr. Two-man mud logging crew got rigged up last night and began logging samples at 3800' and began mud gas detection below 3950'. As of 0500 today the background gas (BG) was 30 units in 8.9 ppg mud indicating some gas from uphole in a Wasatch sandstone layer. The daily report from the Pason crew is written two hours before the Patterson report and is transmitted directly to the current distribution list. Drilling. 4120'

9-24-05 @ 0700 hrs breakdown from Patterson report: 8 hrs drilling 4120- to 4446'; .5 hr lube rig; 15.5 hrs drilling 4446' to 4872'. Penetration rate for 752' was 32.0 ft/hr. BG has come up a little and one show was recognized from a tight sandstone bench associated with carbonaceous shale in the upper part of the Mesaverde Group (Tuscher Fm). The mud log updated to 0500 hrs today is available on the Pason DataHub along with current drilling data (EDR). Drilling. 4872'

9-25-05 @ 0700 hrs from Patterson report: 5.5 hrs drilling 4872-5296'; .5 hr lube rig; 18 hrs drilling 5296-6153'. Penetration rate for 1281' was 54.5 ft/hr. Several gas shows were reported from the Neslen Fm associated with drilling breaks and possibly coal beds. See

the attached report from the mud loggers from 9-27-05 for cumulative report on the drilling breaks to that date. Drilling. 6153'

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JUN 14 2006

DIV. OF OIL, GAS & MINING

SUMMIT OPERATING, LLC SEEP RIDGE UNIT #6

Version 06-04-06

API No.: 43-047-36729

LOCATION: 1984' FNL, 2002 FEL, SWNE Sec 26, T13S, R22E, SLM

ELEVATION: 6633 Grnd; 6655 KB

TUBULARS: 9 5/8 36 lb, K55 at 2043; 800 sx Class G cmt (165 bbls) to surface
5 1/2 17 lb P-110 Surface to 438', (10 jts)
5 1/2 17 lb N-80 438 to 10,217
DV Tool at 9210 to 9212; 1st Stage 270 sx 50/50 POZ (72 bbls) mixed with
2% gel, 0.7% HALAD-344, 0.25 lb/sk Flocele, 5 lb/sk Silicalite to yield 1.49
cuft/sk with slurry weight 13.5 lb/gal; 2nd Stage lead 515 sx Type V (353 bbls)
mixed with 16% gel, 0.75% EX-1, 10 lb/sk Gilsonite, 0.25 lb/sk Flocele and 1%
HR-7 to yield 3.85 cuft/sk and slurry weight 11.0 lb/gal and tail/cap 50 sx
Class G (10 bbls) mixed with 0.2% HR-5 and 0.2% CFR-3 to yield 1.16 cuft/sk
and slurry weight 15.8 lb/gal. Top good cmt 9600; Top ratty cmt 8900 (log)
PBSD 10,140 (csg logger), reported cleaned out to 10,165 on 12-12-05 and
reported tagged PBSD 10,174 on 1-11-06
330 jts (10,236.58 ft) 2 7/8 6.5 lb N80 tbg on location
Tbg set at 9,853 KB with barred notched collar below SN on end 03-10-06

PERFORATIONS: 10-19-2005: 10,096 to 10,102 w/ 2spf - Cedar Mountain

10-21-2005: 10,081 to 10,087 w/ 2spf - Cedar Mountain
10,071 to 10,075 w/ 2spf - Cedar Mountain
10,052 to 10,064 w/ 2spf - Cedar Mountain

12-21-2005: 9,926 to 9,948 w/2spf - Dakota 2
9,885 to 9,906 w/2spf - Dakota 1

SUPERVISION: 10-11 to 23-05: David Swett
10-24-05 to 01-05-06: J. Newton Burkhalter
01-09-06 to present: Lawrence C. Caldwell II

10-24-05 Pressure: Tbg 105, Csg 10? Pkr in hole, but reported to be hanging. FL
Mon reported at 6000 ft. Swabbed on well w/ fluid near bottom until 1400 hrs. Moved
RBP to bottom, hung tbg w/ pkr supposedly unset at 10,010. SIFN. Not any
appreciable gas recovery or water recovery.

10-25-05 0700 hrs: Tbg 40, Csg 10?. Set pkr at 10,010, filled bkcd with 152 bbls -
Tue fluid was at bottom. Halliburton on location 0700 hrs. Necessary to wait on 4%
KCI water as bkcd took 60 bbls more water than expected - rig hands thought FL
at 6000. WO water truck to have enough KCI water to bkcd and circulate balls
off of RBP. Pressured up bkcd to 1200 lbs and monitored bkcd from van.

Pumped 36 bbls KCI water down tbg, caught pressure - FL was at 6200 in tbg,
indicating 3800 ft of fluid in tbg. Pkr must have been set. Formation very tight.
Got a small break at 3300 lbs, then pressure climbed - could see ball action.
With 2/3 job pumped (102 bbls) pkr failed at 4500 lbs. Only 3500 psi differential on

pk. Forced to shut down job. Could not get instantaneous shut-in or 30-minute bleed-off.

Rig down Halliburton. Ran two stands tbg thru perfs to knock off balls, stood two stands tbg back in derrick. 1330 hrs go to swabbing. FL 2900 when started swabbing. 1500 hrs - after six runs and with all backside on formation, making gas. Swabbed until 1820 hrs. Recovered approx 110 bbls fluid. Well kicking and making some gas. SIFN

10-26-05
Wed 0630 hrs csg on mild "suck". 0700 hrs csg on mild "blow", TSTM w/ 1000 lb gauge. Tbg 120 psig. Blow down tbg, rig up to swab. Lit small flare on top of first pull. After that, able to light flare on top of all pulls, but not as much gas as on first pull. Found FL at 4800 first pull. FL stayed same for four pulls, then begin to slowly drop. Gas increasing.

10-26-05
Wed 1000 hrs: Swabbed off bottom, very gas-cut fluid with kicks. Gas burns good and clean. 1200 hrs FL 8400, Very gas-cut fluid. Maybe 40 psi in csg. 1145 hrs swab run to SN, small recovery, wait one hr, go to SN, no recovery. Made four dry runs from 1400 to 1700 hrs. 50 lbs on csg. SIFN.

10-27-05
Thurs NOTE: Burkhalter traveled to Vernal and visited w/ Halliburton. Halliburton has had previous pk. failures in Flat Rock area. Figured out it was temperature differential - cool treatment fluid contracted tbg string enough to unload pk. We can remedy that. Also Hall. cautioned about pumping acid. According to Hall. records, a methanol/weak acid mixture does the best job.

0700: tbg 320, csg 100. FL 8800. Made 5 swab runs, recovering very gassy fluid, but gas would not flow after run. Rec'd orders to do methanol/acid bkdn tomorrow. Blow down bkdn, hook up pump, GIH to wash balls off RBP and POOH.

Pumped down bkdn, washed balls into tbg, latched onto RBP, POOH. Pk. was trashed with rubbers gone and slips broken. Picked up new pk. w/ carbide inserts & GIH, set pk. 10,014'. SIFN

10-28-05
Fri Swab out tbg. Found FL 2600. HOWCO arrives location 1030 hrs and begins rigging up. Mix 1512 gals methanol into 3528 gals 7 1/2% HCl in HOWCO transport. Mixture contains surfactant 4 gal, Cla-Sta XP 18 gal, Iron Sequestant 36 gal, Inhibitor 18 gal. Dropped 100 1.1 SG ball sealers during treatment.

Ran 6' N80 tbg pup on top of string and lowered through table. This to compensate for shrinkage of tbg due to cold fluid in treatment. Pumped up bkdn to 1185 lbs and SI. Began pmpng trtmnt down tbg and injecting balls. Caught pressure 47 bbls and began injecting into perfs. Trtmnt went good with avg injection rate of 5 bpm and max rate of 6.4 bpm. Avg pressure 3800 and max press 5000 lbs. Achieved complete ball-out. Shut down, surged off balls and finished pmpng 60 bbls of KCl flush water. Instant SI 2363 lbs. 15 min bleedoff 1559 lbs.

Blew down tbg and csg. Getting mild flow of water out of tbg. Rigged up to swab. Trouble getting into tbg w/ swab eqpt due to acid gas. Made 5 runs, recovered 88 bbls of 180-bbl load when wireline tools parted, leaving spang jars and swab mandrel in tbg. Ordered grapple for pin looking up and new 10' sinker bar. Will try

to fish out tools in morning. It was plain to see all of KCl flush recovered and acid water coming back. Fluid rising in tbg. SIFN.

Completion costs to date:

Rig: 48,181; Supv'n: 5800; BOP: 2870; Tanks: 1148; Pkrs: 2850; HOWCO: 36,821
Dalbo: 2611; TOTAL: 100,281

- 10-29-05 Sat Rig up wireline fishing tools, GIH. Could not get below 7700. Got catsass in line. Attempt to get catsass out of line. Finally got catsass untwisted enough to pull sandline over crown. Catsass is too bad to trust for further swabbing. Made arrangements for splicing truck to be here by Monday afternoon. Necessary to unlatch pkr and displace acid in tbg to pit. Pumped 68 bbls KCl water down csg circulating gassy acid water to pit. Abruptly changed from pH of 2 to pH of 7 and to clear KCl water. POOH w/ tbg. Found wireline/swab tools 67 stands in wedged with a ball sealer. Lay down wireline tools, lay down pkr. GIH w/ tbg w/ SN on bottom, land at 10,010 ready to swab when sandline is ready.
- 10-31-05 Mon Splicers arrived at location 1540 hrs. Finally got done about 1830 hrs. SDFN
- 11-01-05 Tue Pour new rope socket, rig up new tools, GIH to swab. Swabbed "nasty", bad smelling acid water - something is pushing it out of formation - a good sign. Good, burnable gas on top of swabs, but no flow after swab. 1530 hrs backside still on "suck". 1615 hrs began gaining pressure in bkds. 231 bbls recovered today, 88 bbls recovered first day (before tools parted), 319 total - 332+ bbls total load. FL started at 2500, swabbed down to 8300. 30 lbs on csg.
- 11-02-05 Wed 0700 hrs: csg 90 lbs, tbg 40 lbs. FL 6800. Began swabbing. Established static FL 8200/8300. Making salty water - cannot taste anything now but salt. As of 0930 hrs we have recovered 359 bbls (load 332 bbls). Bkds press down to 80 and up to 85 lbs. Seems communication occurring around end of tbg at 10010.
- Note: Contacted HOWCO - they can do frac first of Dec. BJ can frac Fri, Nov 11.
- Swabbed all day, made 25 runs. 120 bbls recovered today - total recovered 439 bbls. Total load 332 bbls. FL went from 6800 to 9400 at 1200 hrs - stayed at 9400 all afternoon.
- Took water sample collected about 1000 hrs to HOWCO in Vernal. Found 10,000 ppm Potassium in sample and pH of 4.75, no Chlorides. Still getting some injected fluid back. No accurate Rw. SDFN at 1700 hrs. Took off swab lubricator and put on bull plug w/ needle vlv and gauge on tbg.. 170+ lbs on csg at 1700 hrs.
Costs to Date: Rig: 65,848; Supv'n: 10,500; BOP: 3895; Tnks: 1523; Pkrs 2850; HOWCO 36821; Dalbo 2611; Splicers 3962; TOTAL 128,010
- 11-03-05 Thur 0700 hrs: csg 300; tbg 80. FL 8400. Indicates BHP of 800 to 900 lbs. Fluid has red sediment - probably fines containing iron from formation. Csg pressure decreased to 285 lbs when swabbing commenced. Got well swabbed down and back side came around. It was obvious that some water was entering well bore as gas was flowing. 1120 hrs caught water samples to take to HOWCO Vernal. Got

orders from Dave Lillywhite to continue swabbing. Water samples indicated that water is formation water mixed with introduced water.

- 11-04-05 Fri 0700 hrs: csg 310, tbg 110. FL 8400. Made three swab runs from SN w/ FL at 8400. FL surged up to 5400 for next run with increased gas. Swabbed from FL of 5400 for 2 runs, then back down to 8400. 0930 hrs dropped three soap sticks down tbg and SI for 1 hr. Built small pressure in tbg, flowed gas for 5 mins. Ran swab, picked up foamy water. No sustained flow. 1100 hrs, csg press 170. Swabbed well dry and SI at 1500 hrs.
- 11-05-05 Sat Burkhalter decides to put pressure recorder on bkcd so as to get more information about behavior characteristics of well. Recorder hooked up at noon on bkcd (pressure 380). JNB calls Peak Well, talks to Brian, and informs him of recorder on well and that probably nothing will be done until Tuesday - Brian said he would tell Gene Caldwell about the recorder and probable SI until Tue.
- 11-06-05 Sun Burkhalter left message with Mike shields about recorder. Mike calls back, says someone has looked at recorder and pressure is 510. "Pressure is increasing 5 or 6 lbs per hour". Dave Lillywhite and JNB agree for Gene to get pressures in morning and discuss and decide what to do.
- 11-07-05 Mon 0700 hrs: Csg 650, Tbg 290. 1200 hrs Csg 700, Tbg 300. Left well SI. Tried to organize frac job - no CO₂ available in Nov. Requested proposals for a 200,000 to 250,000 lb frac from both BJ and Howco. Feel CO₂ necessary due to low reservoir pressure. Also, at the depth we are working, it will probably require a minimum of resin-coated sand to withstand pressures without breaking down. Left orders with Gene Caldwell to blow down tbg (after reading pressures) and swab well down. Due to delays, BOP will not be at SRU #8 until tomorrow afternoon and tbg will not be there until Wednesday. Will keep rig working Tuesday on SRU #6.
- 11-08-05 Tue 0700 hrs: Csg 780 and continuing to increase, tbg 390. FL 6000, meaning 4000 ft of fluid on formation. BHP is probably 2100 to 2200 psig. Swabbed well down to 9600. Attempted to land tbg in donut, but donut was for 2 3/8 not 2 7/8 tbg. Requires a 2 7/8 donut. The top vlv was a 2 1/16 which will have to be changed out for a full open vlv so that we can get into tbg to swab or run tools. Gene Caldwell checked w/ Wellhead Inc and finds all the wells were ordered incorrectly - we will get them all changed to proper configuration. Secured well for night, will have to blow down in morning and install proper donut and vlv and then move to SRU #8. Ordered potty for SRU #8.
- 11-09-05 Wed Blow down well, install 2 7/8 donut and land in wellhead. Strip off BOP and install 2 9/16 Master Valve. Rig down and move to CRU #8.
- 11-10 to 30-05 Well was shut-in but the tubing was periodically blown down in attempts to unload the well. Checked bkcd press at 1140 psig on 11-18-05.
- 12-01-05 Thur Rig down from SRU #8 and move to SRU #6. Bkcd pressure 1600 lbs. Blow down well and POOH w/tbg in preparation for frac of Cedar Mountain perms.
- 12-02 to 06-05 Tue Rigging up and preparing for frac job. 0700 on 12-06-05 800 lbs. Frac'd well w/535 bbls gelled KCl water and N2-65 quality foam. Got 50,000 lbs resin-coat 20/40 sand into formation. Very tight, BHTP began to creep up too steeply as

2 lb/gal proppant hit formation. Shut off sand, got 25 bbls of flush pumped when pressure reached 6500 psi. Left 30,000 lbs sand in csg. Avg treating pressure 5309 psi, avg rate 14.7 bpm and max rate 20.2 bpm. Frac gradient 0.80.

Well began flowing back at 4500 psi at 14330 hrs, died w/chokes open at 2030 hrs. SI well and sent crew to house. Will PU bit and scraper and GIH w/tbg in morning. Well has unloaded a lot of sand, but believe much remains in csg. Will run bit to preclude making an extra trip.

12-07-05 Wed -20° F this morning. 650 psi on well. Blew down, burning gas with "invisible" flame. Getting rig started. Necessary to knock ice out of every jt as we GIH w/bit and scraper. Tagged bridge at 8100. Dark. SDFN.

12-08-05 Thu -15° F this morning. Great difficulty starting eqpt, pipes froze up. Finally got going about 1130 hrs. Bit not drilling resin-coat sand proppant. Decided to POOH for new bit at 1500 hrs. Tagged up on hard resin-coat sand fill at 10028. Drained all eqpt and worked on POOH until dark (1700 hrs). Very cold. Top perf 10052.

12-09-05 Fri Still very cold but got eqpt up & running. Finish POOH for new bit. Old bit did not look that bad, only dull. GIH w/new bit & scraper. Finally back on bottom 1500 hrs. New tri-cone bit would not dig resin-coat sand. Talked it over with Mike Shields and Bob Pierson and decided to POOH and run a drag bit to see if we can clean out the casing.

12-10-05 Sat POOH to PU drag bit. Not quite as cold today. PU 4-blade drag bit & GIH. Leave csg scraper on bank since it seemed to be hanging up in crooked hole. Got to bottom and began drilling. Made 35 ft in resin-coat sand by dark. Pulled one stand and SDF weekend.

12-11-05 Sun SDF Sunday

12-12-05 Mon Drilled & cleaned out to 10165, 63 ft below deepest perf and about 10 ft above the float collar. Pulled up to 10008 & circulated-got several ball sealers, started swabbing. After 7 runs, had much trouble getting in hole, ran ball catcher on sand line-no balls. Trouble is probably from gas pockets. Made run 8 at dark-SDFN. NOTE: Well "drank" approx 200 bbls KCl water while drilling out-indicates formation is "open". Naturally, this water has to be recovered along with the 700+ bbls pumped for the frac. (Probable total of 1,000 bbls of fluid placed through perfs plus mud filtrate loss from drilling operation)

12-13-05 Tue 0700 hrs-50 psi on tbg. FL 3000. Pulled first run from 4800, considerable show of gas in fluid-unable to determine if N2 or gas. 1300 hrs-with recovery of fluid estimated at 230 bbls (total load near 1000 bbls), well is getting stronger and making some burnable gas. Gas is mixed w/N2 and is low BTU, but nevertheless is combustible gas. Made 24 swab runs today. Estimated total recovery of fluid is 332 bbls-hard to estimate when swab recovery looks like it is mostly gas. FL has remained relatively high, around 5000, indicating there is good entry from formation. Csg pressure has increased from 30 to 150 psi.

12-14-05 Thu 0700 hrs-560 psi on csg and tbg open with no flow. Begin swabbing, control chain on sand line drum broke. Had to go to Vernal for replacement. Only got

nine swab runs in today. Still making mixed N2, gas and water. Have recovered estimated 340 bbls of 1000 bbls load.

12-15-05 Thu 0700 hrs-860 psi on csg and 460 psi on tbg. Tbg flared blue flame first and then orange flame for 30 mins. Good flare. Solenoid on rig starter malfunctioning. Got new starter sent out w/Mike Shields. Got started swabbing about 1130 hrs. Well began unloading (bkds coming around 1145 hrs and flowed and burned hard until 1315 hrs). Began swabbing again. Bkds came around twice more by dark (1700 hrs). Burning gas and N2-seems to be more "good" gas than before. Still unloading lots of water. Estimate have recovered 380 bbls of 1000 bbl load. Left tbg open to pit all night. Well was unloading at good rate at 1715 hrs.

12-16-05 Fri 0700 hrs-650 psi on csg and tbg dead. Made one swab run and well came around, burning gas and unloading water. Gas is still heavily mixed w/N2 requiring propane torch to keep lit. FI was at 7000. Continued swabbing and flowing all day. Bkds pressure dropped to 200 psi indicating that gas entry is not heavy at this time. Well seemed to begin unloading frac fluid at a better rate about 1500 hrs. Gas is burning better with less N2. Left tbg open to pit overnight. Have recovered estimated 400 bbls of 1000 bbl load.

12-17-05 Sat 0700 hrs-580 psi on csg and tbg dead. FL 4800. Well kicked off on third swab run unloading more N2 than previously. After a lot of N2, well began burning good gas. Flowed for 20 to 30 mins and died off. Swabbed all day, down to bottom without much response from well. SDF weekend. Estimated, 24-hour initial potential test of Cedar Mtn 10052-102 gross extrapolated from 1 hr flow to pit 120 Mcf per day.

12-19-05 Mon 0700 hrs-860 psi on csg and tbg dead. Well kicked off on second swab run, blew down and POOH in preparation for setting RBP w/ball catcher and perforating Dakota zones.

12-20-05 Tue 0700 hrs-500 psi on csg. Rig up OWP & GIH w/RPB. Could not detect fluid level. Set RBP at 10010 KB. Plug set normally. Picked up ball catcher and GIH. Did not seem like ball catcher engaged RBP, but operator and tool man felt they had it. POOH w/ball catcher-did not get latched up on RBP. Then OWP gave orders to close BOP blind rams, closed them on ball catcher and collapsed same. Decided to go ahead and perforate and use biodegradable balls for breakdown. Called Superior and got that done. Had rig crew pump 50 bbls 4% KCl water into csg to have a minimal cushion over perf guns. OWP could not locate FL after three attempts. Cable was dry. No indication of big perf gun (22' loaded) hitting fluid when going in hole. Doubtful about integrity of RBP/csg. Picked up pkr w/retrieving head and GIH w/tbg. Ran into fluid at 8000 just as calculated. Set pkr, filled w/KCl water, caught pressure at 33 bbls, pumped up csg below 8100 to 2000 psi w/no leaks. Unlatch pkr and POOH. Notified OWP to be on location again at 0900 hrs tomorrow to finish job. Notified Superior to do breakdown on Thursday.

12-21-05 Wed Finished POOH w/ tbg. Rigged up OWP and after correlating w/CBL log, perforated Dakota 9926 to 9948 and 9885 to 9906 w/3-3/8" expendable csg guns 2 spf 0.35" holes. OWP still could not determine FL. Ran RBP catcher on 6 ft 2-3/8" pup, Weatherford compression pkr on 317 jts of 2-7/8" tbg and set pkr at 9854 KB.

Bottom of assembly at 9864 KB over top perf at 9885 KB. Set pkr. Made one swab run at dark. No gas. FL 3500 (up from around 6600?). SDFN.

- 12-22-05 Thu Superior pumped breakdown w/95 bbl treatment-37% methanol and 63% 7.5% HCl acid w/iron sequestrant, clay stabilizer, mud dispersant, surfactants and 129 biodegradable ball sealers (fat balls) flushed to perms. Job went well. Broke at 3700 psi, avg pressure 2500 psi, ISIP 1190 psi with indicated frac gradient 0.55. As usual, lost suction when switching tanks. I am going to take steps to prevent this in future. Began swabbing back and burning good gas after recovering 81 bbls of 182 bbls load. Well kicking good. A revolting development-rig engine cratered-a blown piston we think. Down until after Christmas. Barely got out of hole w/last pull. Well continued to burn gas for 5 hrs, but when I checked it at 2030 hrs, it was dead. Arrangements made for a swab unit to arrive tomorrow and continue swabbing well.
- 12-23-05 Fri Well began unloading fluid on its own. We cancelled swab unit. Mechanic arrived, checked rig engine and determined it was "no good". Began pulling engine. Well continues to unload, then die down and then unload again. Will leave open. Well maintained flare into night.
- 12-24-05 Sat Flare still going. Hooked up well to separator and pipeline. Maintaining 120 to 150 Mcfpd rate into pipeline. No water production evident by 0930 hrs. Burkhalter "rigging down" and moving out. First day of gas sales from isolated Dakota zones 9885-906 gross.
- 01-03-06 Tue New motor for rig expected on location today. Well flowed from the Dakota zones over New Year weekend at around same rates between 120 to 150 Mcfpd. Cedar Mountain zones still below RBP at 10010.
- 01-07-06 Sat Completed installation of new motor in rig.
- 01-09-06 Mon Flowing TP 90 psi and instantaneous rate 229 Mcfpd. Blew tbg down, rigged to swab, found FL 9500', made 1 run and recovered 200' (1.2 bbls). Opened packer unloader valve to release backside and found FL 6000'. Made 7 runs and recovered 85 bbls. Continued swabbing and recovered another 64 bbls with gas show on last run. Waited 1 hr, found FL 9700', made final run for the day against flowing gas cut fluid and recovered 100' (0.6 bbls). Hooked tbg up to dehy and meter and put on line for the night.
- 01-10-06 Tue Blew down tbg and csg, unseated pkr from 9854', TIH w/5 jts, latched on to RBP at 10010' and TOOH w/323 jts, pkr, pup joint, catcher and RBP. Quick killed well with 4% KCl to get last 5 stds of tbg out. Hooked csg up to dehy and meter and flowed 100 Mcf overnight.
- 01-11-06 Wed Made up punch wafer and seating nipple on tbg, TIH w/327 jts tbg, stopped to blow down casing on way down, tagged PBSD 10174', laid down 7 jts and landed tbg 10044', 8' above Cedar Mtn gross perf interval 10052-102' and 159' below top perf in Dakota. Nipped down BOP and landed tbg in tree. Broke punch wafer, found FL 6200', made 5 runs with FL rising to 5000' and commenced flow. Flow carried substantial amounts of fluid and periodically reached instantaneous rates of 600 Mcfpd. Estimated recovery 59 bbls. Hooked tbg up to dehy and meter and put on line for the night.

- 01-12-06 Thu Well logged off. Found FL 5800', made 3 runs before well kicked off. Made a total of 12 runs between flowing periods. Recovered 115 bbls. SDFN.
- 01-13-06 Fri TP 0 psi and CP 900 psi. Found FL 1500', made 1 run from 4200' and well kicked off for short flow then died. Made another run from 7100' and well kicked off again then died. Found FL 9990' on third run and restarted gas cut fluid flow. Made 9 runs total. Recovered 92 bbls for the day and cumulative total of 266 bbls since 1-11-06. Dropped 4 soap sticks and hooked up to sales meter. Remote production monitoring system operational. SDFWE.
- 01-14-06 Sat Sold 202 Mcf.
- 01-16-06 Mon TP 130 psi and CP 550 psi. Found FL 3500', pulled from 6600' and restarted flow for short period. Made 12 runs total against gas cut fluid flow. Recovered 67 bbls for the day and cumulative total of 333 bbls since 1-11-06.
- 01-17-06 Tue RDMOSU to SRU #8.
- 02-13-06 Mon Continued flow testing commingled Cedar Mtn and Dakota zones from tbg set at 10044' between the two zones (8' above the top Cedar Mtn perf and 159' below the top Dakota perf. Avg production over 32 days was 207 Mcfpd without significant decline. MIRUSU (Peak). SDFN
- 02-14-06 Tue Bled down tbg and csg, nipped down wellhead and stripped on BOP. TOOH w/320 jts tbg and laid the string down. RU HES wireline unit and set RBP at 10001' in preparation for frac stimulation of Dakota zones. RDMOSU to SRU #8.
- 02-18-06 Sat HES frac stimulated Dakota zones gross interval 9885-948' down casing w/75,000 lbs of 20/40 ceramic proppant in 70% CO2 foam using 130 tons CO2 and 326 bbls treated KCl water. Max press 3556 and break 2344 psi with average pumping rate of 30 bpm. ISIP 2880 psi, 5 min 2528 psi, 10 min 2372 psi and 15 min 2235 psi. Frac gradient calculated was 0.73 psi/ft. Treatment was flushed with a 200 gal cap. Started flowback to pit.
- 02-19-06 Sun Flowback to pit.
- 02-20-06 Mon Flowback to pit.
- 02-21-06 Tue CO2 depleted. MIRUSU (Peak 500) and waited on pump. Sold 739 Mcf still producing some load water from casing on first full day on after frac from isolated Dakota zones.
- 02-22-06 Wed FCP 620 psi. Blew down to 30 psi, pumped 60 bbls 3% KCl water to kill well long enough to TIH with tbg and tag the top of proppant at 9875', 10' above top perf in Dakota at 9885'. Adjusted tbg up one jt to 9832' and SDFN. Hooked up to flow through dehy/sep and meter. Wait on scheduling of foam unit.
- 02-25-06 Sat Load water production depleted. Sold 1,011 Mcf for initial potential test after frac stimulation of Dakota zones gross interval 9885-948' with casing pressure 499 psi and tubing pressure 375 psi on 26/64" choke.

- 03-07-06 Tue MIRUSU (Peak 400) and foam unit. Blew down tbg and csg, nipped down wellhead and stripped on BOP. TIH w/5 jts tbg and tagged up on proppant at 9956'. Cleaned out to 10001' tagged up on RBP, pulled up 1' and circulated for 1 hour. Latched on to RBP and TOOH w/164 jts with well gassing strongly. SDFN.
- 03-08-06 Wed Pumped into tbg and csg to kill well. Continued TOOH w/tbg stopping to several times to quick kill well by pumping 3% KCl water into csg and tbg (total kill fluid pumped for the day was 110 bbls). Completed TOOH with damaged retrieving head and no RBP. TIH w/repairs retrieving head and tagged up on the RBP at 10145'. Broke circulation w/80 bbls and circulated clean. TOOH to 9776'. SDFN.
- 03-09-06 Thu TP 650 psi and CP 490 psi. Bled down csg. TIH, tagged up on the RBP again at 10145', circulated and latched onto RBP. Popped RBP free after pulling up to 72,000 lbs. TOOH w/tbg, retrieving head and RBP stopping once to kill well by pumping 30 bbls into csg and 10 bbls in tbg. Laid down RBP, TIH w/ barred notched collar and seating nipple on 94 jts and SDFN.
- 03-10-06 Fri TP 300 psi and CP 300 psi. Completed TIH. Stripped off BOP and nipped up tree. Adjusted tbg setting to 9853' with barred notched collar below SN on end, 32' above shallowest perf in Dakota, to produce commingled Cedar Mtn and Dakota zones gross interval 9885-10102'. RU foam unit and reverse circulated well to clean and start. Hooked back up to dehy/sep and meter.
- 03-12-06 Sun On line with beginning CP 797 psi. Sold 351 Mcf.
- 03-13-06 Mon RDMOSU to SRU #8. Sold 372 Mcf.
- 03-14-06 Tue First full production day sold 497 Mcf. Well remains on line but production is aggravated by water holdup and increasing sales line pressure.

Form 3160-4
(April 2006)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1010-0137
Expires: March 31, 2007

5 Lease Serial No. UTU-6616

6 If Indian, Allottee or Tribe Name

7 Unit or CA Agreement Name and No
Seep Ridge Unit

8 Lease Name and Well No

6 (SRU #6)

9 API Well No.

43-047-36729

10 Field and Pool, or Exploratory
Seep Ridge

11 Sec., T., R., S., on Block and
Survey or Area 26-13S-22E, SLM

12 County or Parish

Utah

13 Direction (T, R, S, N, E, S, W, O, L, Y)*
6655' KB (log datum), 6633' GL

1 Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other

2 Type of Completion ☒ Perforated ☐ Workover ☐ Deepen ☐ Plug Back ☐ Drill Ream,
Other

3 Name of Operator

Summit Operating, LLC

4 Address
P. O. Box 683909, Park City, UT 84068-3909

5a Phone No. (include area code)
435-940-9001

6 Location of Well (Report location clearly and in accordance with Federal requirements)*

7a surface 1984' fml & 2002' fel, SWNE Section 26, T13S, R22E, SLM

7b top point vertical reported below Vertical, same as surface location

7c total depth Vertical, same as surface location

8 Date Spudded
9-12-05 with rathole rig

9 Date T.D. Reached
10-1-05

10 Date Completed 2-25-06
☐ D & A ☒ Ready to Prod

11 Total Depth
MD 10224'
TVD 10224'

12 Plug Back T.D.
MD 10165'
TVD 10165'

13 Depth Bridge Plug Set
MD
TVD

14 Type Electric & Other Mechanical Logs Run (submit copy of each)

GR: Dual Induction Guard GR, Compensated Density Compensated Neutron
GR: BHC Sonic GR Caliper and CBL GR

15 Was well cased? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

16 Running and Logging Record (Report all strings set in well)

Log Size	Log Grade	WT (lb)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Str. & Type of Cement	Shut Vol. (GAL)	Cement Top*	Amount Packed
12 25"	9 625" K55	36	Surface	2043		800 Class G	165	Surface	
7 875"	5 5" P110	17	Surface	438					
7 875"	5 5" N80	17	438	10217	9210	1st 270 50-50 Poz 2nd 565 V & G	72 363	Stage tool 1900 CBL	

17 Tubing Record 6.5 #/ft N80 last setting 3-10-06

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 875"	9853							

18 Producing Intervals

Formation	Top	Bottom	Perforation Interval	Size	No. Holes	Perf. Status
4 Dakota Ss	9885	9948	9926-48, 9885-906	0.35"	86 (2 spf)	Open (Dakota)
5 Cedar Mountain Fm	10052	10102	10052-64, 10071-75,			
6 A & B commingled by final completion			10081-87, 10096-102	0.35"	56 (2 spf)	Open (Cedar Mtn)

19 Acid Fracture Treatment, Cement Squeeze, etc

Depth Interval	Amount and Type of Material
10052-102 (Cedar Mtn)	BD w/102 of 152 bbls KCl water when pkf failed; BD w/120 bbls net (70-30%) 7.5% HCl acid-methanol; Frac w/50k lbs 20-40 resin coated sand in nitrified, gelled KCl water
9885-948 (Dakota)	BD w/95 bbls net (63-37%) 7.5% HCl acid-methanol; Frac w/75k lbs 20-40 ceramic proppant in 70% CO2 foamed KCl water

20 Production - Interval A

Date First Produced	Test Date	Bottom Depth	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity (API)	Gas Gravity	Production Method
12-24-05	2-25-06	24	→	0	1011	2			Flowed through sep/dehy & meter
Log Size	Log Type	Log Price	24 hr Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Well Status
26/64"	XX 375	499	→	0	1011	2			Producing commingled with Interval B (Cedar Mtn)

21a Production - Interval B

Date First Produced	Test Date	Bottom Depth	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity (API)	Gas Gravity	Production Method
3-10-06	12-16-05	1	→	0	5	mist			Flowed to pit
Log Size	Log Type	Log Price	24 hr Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Well Status
None	XX 20	200	→	0	120	4			Producing commingled with Interval A (Dakota)

*See instructions on well reports for additional details on page 2

RECEIVED

JUN 26 2006

BUREAU OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Qwt. API	Gas Gravity	Production Method
Choke Size	Fig. Press. Pkg. SI	Fig. Press. Pkg. SI	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Qwt. API	Gas Gravity	Production Method
Choke Size	Fig. Press. Pkg. SI	Fig. Press. Pkg. SI	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold to Canyon Gas Resources' Seep Ridge Pipeline

30. Summary of Porosity Zones (Include Aquifers)

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Wasatch	3200	3800	OH logs indicate zones w/unknown cont.	Main body Wasatch Fm (Tw)	2059' +4596'
Mesaverde	3950	4550	OH log indicate zones w/unknown cont.	Mesaverde Group (Kmv)	3900' +2755'
Dakota	9885	9920	Natural gas	Neslen Fm (Kn)	5042' +1613'
Dakota	9926	9948	Natural gas	Sego Ss (Ks)	5536' +1119'
Cedar Mtn	10050	10110	Natural gas & brine water	Buck Tongue of Mancos Sh (Kmbt)	5601' +1054'
				Castlegate Ss (Kc)	5815' +840'
				Base Kc	5936' +719'
				Upr Blue Gate Mbr Mancos (Kmbgu)	6157' +498'
				Prairie Cyn Mbr ("B") Mancos (Kmpc)	6703' -38'
				Lwr Blue Gate Mbr Mancos (Kmg)	7325' -670'
				Dakota Silt (Kds)	9820' -3165'
				Dakota marker-base bentonite (Kd mkr)	9867' -3212'
				first Dakota sandstone (Kd1)	9885' -3230'
				second Dakota sandstone (Kd2)	9916' -3271'
				Cedar Mountain Fm and K-1 (Kcm)	9952' -3297'
				lower Kcm sandstone (Kcm1)	10050' -3395'
				Morrison Fm and K-0 (Jm)	10153' -3498'

32. Additional remarks (include plugging procedure)

33. Indicate which items have been attached by placing a check in the appropriate boxes.

- ☒ Electrical/Mechanical Logs (1 full set req'd) ☐ Geologic Report ☐ DST Report ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification ☐ Core Analysis ☒ Other: Drilling history and completion history

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print)

David L. Lillywhite

Title

President

Signature

David Lillywhite

Date

6-21-06

File 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.